GM shifting employes to EDS staff

By Dan McCosh
Detroit Reporter

General Motors Co. has begun transferring as many as 12,000 GM employes to EDS Corp., the Dallas-based data processing company GM is acquiring, AUTOMOTIVE NEWS has learned.

GM is quickly incorporating EDS into its internal data processing operations, charging it with developing standardized communications systems for the auto maker.

The unexpectedly quick implementation of EDS into GM's corporate structure has sent "shock waves" through the arcane world of GM's internal data processing department, say some insiders.

The moves are a signal that GM intends to rely heavily on its acquisition of EDS to solve its internal data-processing problems, particularly intracorporate communications.

The action also is an indication that GM's internal need for EDS' services is taking precedence over longer-range corporate goals to use the electronics acquisitions for corporate diversification.

Further GM acquistions in the electronics area also are expected to follow the same pattern—"buying" outside expertise initially for internal consumption, with a long-range strategy of GM entering computer-service strongholds as a competitor.

At the time of the announcement of its agreement with EDS, GM Chairman Roger B. Smith said it would result in the merger of GM and EDS communications facilities and personnel.

• EDS has been taking over duties formerly allocated to GM's internal data-processing centers at some 180 GM plants. GM employes often remain in their previous job, but now report to EDS, rather than the parent corporation.

Some transferred GM employes reportedly are taking pay cuts and losing some GM fringe benefits and will be working under EDS' traditional performance-oriented compensation program.

The data-processing centers are responsible for handling the mass of financial data and information generated by GM com-

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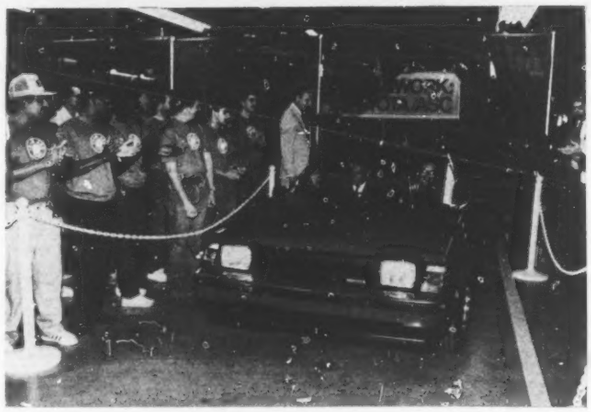

First ASC-Toyota ragtop

Yukiyasu Togo, president of Toyota Motor Sales U.S.A., Inc., drives the first Toyota Celica GT-S convertible with Heinz Prechter, chairman and president of ASC. A minimum of 5,000 of the Celica models will be completed at ASC's new $5-million plant in Dominquez Hills, Calif. The new model marks a joint effort between Toyota Motor Corp. in Japan and ASC, which is headquartered in Southgate, Mich.

Boost on options slashed

Second effort by Ford pares hike to $153

By John K. Teahen Jr.
Managing Editor

Ford Motor Co. took a second look at its preliminary prices of '85 cars and optional equipment and decided it should try a little harder.

The result: Ford now says its '85 prices will be up an average of $153, or 1.3 percent, over the final figures for comparably equipped '84 models. Earlier, Ford had posted a preliminary boost of $225, or 1.9 percent.

The $72 difference in the average came out of optional equipment. Ford had originally planned to boost option prices an average of 2.5 percent. Now, it says the average price of options is unchanged. Not every option bears the same price as last year, but the average hasn't gone up appreciably.

The $153 hike for '85 consists of $152 on the base cars and $1 for equipment. Ford gave no breakout on the $225 preliminary increase, but it apparently included a little over $70 for optional items.

Ford's boost compares with $292, or 2.3 percent for General Motors and a tentative hike of $181 or 1.7 percent for Chrysler Corp. All, of course, are subject to review — and further increases — when GM and Ford finalize new contracts with the UAW.

Those increases are on comparably equipped cars which means that in many cases the boosts in actual sticker prices are considerably larger. In the "comparably equipped" method, makers adjust last year's price to include any equipment that is made standard for the new season. The amount of those adjustments is not included in the price hike announced by the makers.

• Some Ford Motor dealers were highly displeased with the preliminary prices, especially the large hikes on such strong-selling lines as Ford Thunderbird and Crown Victoria and Mercury Cougar and Grand Marquis.

Those dealers will be even more displeased with the firm prices. T-bird, Cougar and the Ford-Mercury big cars are up $38 to $199 more than they were in the first go-round. The two-stage hikes amount to $626 to $684 on Thunderbird and Crown Vic and $682 and $675 on Cougar and Grand Marquis.

Lincoln dealers fared better. The firm prices of their cars are not as high as the preliminary prices. The Continental dipped $28 from the preliminary price, the Town Car went down $193, and the Mark VII fell $232.

Nevertheless, the stickers on those autos are still a lot fatter than they were for '84. The year-to-year hikes are $704 on Mark VII, $816 on Continental and $988 on Town Car.

Ford Motor was able to hold its overall boost to an average of $153 by keeping a tight rein on the prices of small cars. The company said that of 62 small-car models, 34 have been re-

Continued on Page 61, Col. 1

Going after younger prospects, import owners

Buick sales target: One million plus

By Jenny L. King
Staff Writer

ROCHESTER, Mich. — With his pen poised above the model-year sales record book, Buick General Manager Donald E. Hackworth promised sales exceeding one million new cars for his division in 1985.

"If we don't beat one million, I'll fall on my sword," Hackworth told reporters at the national press preview of Buick's 1985 lineup at Meadow Brook Hall here.

"Sales have been records nine out of the past 11 months and in May we set an any-month sales record," said the man who assumed Buick leadership last January. "We expect a minimum of one million sales for 1985."

Sales for the 1984 model year, ending Sept. 30, are expected to reach 945,000.

The star of the show, however, was Buick's all-new Somerset Regal. The front-drive sport coupe, which is going up against such high-line imports as Toyota Celica, Datsun 200-SX, Honda Prelude, the BMW 318i and the Audi Coupe, will be to the Skylark/Century models what the Riviera is to the LeSabre/Electra, according to Chief Engineer David Sharp.

Somerset Regal's corporate counterparts are the Oldsmobile Calais and Pontiac Grand Am. All are being assembled in Lansing.

The Buick officials described the Somerset Regal as "the most researched car we've ever produced."

Adding the Somerset to an expanded lineup which ranges from the compact Skyhawk to the front-drive Electra and luxurious Riviera, the division is honing its troops — dealers and their sales forces — in a bid to win new customers while keeping current owners in the fold.

For "new" customers, read "younger." Buick was long considered a doctor's car: A car to be owned when one had worked many long years and had arrived at a comfortable station.

John Dabels, Buick marketing director, said recent non-product strategies — being the official car of the 1984 Olympics and the 1983 Indy pace car — have helped build a younger, performance-oriented image.

Another marketing target, which includes older and young-

Continued on Page 61, Col. 1

Olds aims at record this year, again in '85

By Kathleen Hamilton
Assistant Managing Editor

ORCHARD LAKE, Mich. — Oldsmobile expects to sell 1,363,000 cars in the 1985 model year, 21 percent more than the record 1,130,000 it anticipates it will sell by the end of this model year.

Its top-selling nameplate for '85 is expected to be the front-drive Cutlass Ciera. At 400,000 projected sales, it would upstage perennial best seller, the rear-drive Cutlass Supreme, at 280,000 sales projected for 1985.

Last year, the Supreme was the best-selling U. S. nameplate; this model year, with forecasted sales of 337,000, it is again a strong contender for the top spot.

Oldsmobile has refined its plans for its sporty exclusive model, and it now plans to bring it out at the end of the 1987 calendar year, General Manager Joseph J. Sanchez told AUTOMOTIVE NEWS following the press introduction of 1985 models here.

"We've become a little bit more demanding. We want a world-class competitor," he said.

The timing coincides with planned introduction of a 16-valve, four-cylinder engine that Oldsmobile will produce in what is now its Delta Township diesel-engine plant, near Lansing (AUTOMOTIVE NEWS, Sept. 17).

But Oldsmobile executives stressed that the new, high-performance engine will be applicable to a wide range of cars. They refused to say which models it will go in.

Oldsmobile will be pitching its new Calais to the 25-to-44-year-old crowd through some appropriate print buys, including Road & Track. Oldsmobile's average customer now is 49 to 50 years old, said Lynn C. Myers, director of marketing.

• Auto sports will play a more important part at Olds in the next few years, Sanchez said.

"Other corporations and divisions have done more, and we plan to close that gap. But we will not project Oldsmobile as a hot-rod division,' he said.

True to its marketing intent, the new Calais has a firmer ride than a traditional Oldsmobile.

Sanchez stressed that it is not a replacement for the Omega, even though it will be sized close to the X-car that has been dropped. The Omega was more a family car; Calais is more a personal car, he said.

The division hopes to sell 144,000 Calais coupes next model year, more than Buick and Pontiac N-car sales, Sanchez said. A sedan will debut in 1987.

Initially, production will be split evenly among the three divisions. To date, 10,000 Calais

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New heights

A giant crane was used to lift this 1985 Oldsmobile Calais from the dock up to the Queen Mary's aft deck (an approximate six-story lift) for a news conference at which the automotive press corps had its first view of the new model.

Honda observes fifth anniversary of U.S. outpost

MARYSVILLE, O.—Honda of America Mfg., Inc. has observed the fifth anniversary of the start-up of its U. S. production activities.

The company has produced 215,000 motorcycles and 133,000 Accords during the past five years. Today, Honda's total U. S. manufacturing investment approaches $600 million.

Following the start-up of its motorcycle operation, Honda began production in 1982 of the Accord models.

The automobile facility is being expanded for the future production of the Honda Civic beginning in 1986. This expansion will bring total U. S. output to 300,000 Accords and Civics per year in 1988.

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60th year — No. 5041

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Registrations for 7 months set new mark

Seven-month registrations of new trucks of all types in the U. S. hit an alltime high, with sizeable increases in all eight weight classifications.

Through July, according to R. L. Polk & Co. statistics, 2,307,582 light, medium and heavy trucks

Table on Page 44.

were registered, an increase of 42.1 percent over last year's 1,624,008.

The previous record for the January-July period was established in 1978 with 2,252,682 registrations. This year's total was 2.4 percent higher than the count six years ago, when industry sales and registrations hit peaks.

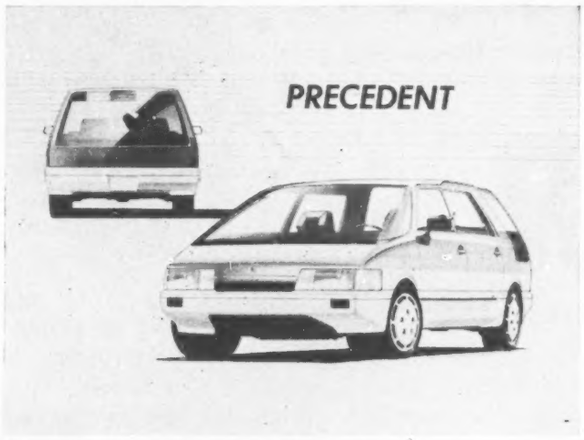
Light-truck tallies for the seven months totaled 2,174,290 units, a gain of 41.9 percent over the year-earlier 1,513,850. In the like period in 1978, the light-truck count was 2,056,423 units.

Through July, 27,126 medium trucks were registered, an increase of 15.2 percent over last year's 23,543, but far below the 88,550 units tallied in the corresponding period six years ago.

The seven-month heavy-truck total was up 54.7 percent to 106,166 units, compared with 68,615 a year ago. In the like period in 1978, the count was 107,709. The high for the period was reached in 1979, with 125,502 units.

Group 1 registrations totaled 1,236,353 through July, up 44.8 percent from last year's 853,958, the previous high for this classification. Six years ago, the

Continued on Page 44, Col. 1



Not quite minivan, not quite limo

Artist Mark Stehrenberger's sketch of the luxury vehicle designed by Alain Clenet that is scheduled to be introduced by Lands Motors, Inc., at the NADA show in February. Although it looks like a minivan, the vehicle will serve as a limousine/luxury auto.

Clenet, Lands design a minivan-limo vehicle

By Kathleen Hamilton
Assistant Managing Editor

A $40,000 luxury vehicle that combines the styling of a futuristic-looking minivan with the function of a limousine is scheduled to be unveiled at the NADA convention in February.

Precedent, as it will be called, could indeed set a precedent in the custom-car industry, which has been groping for a hot item ever since high-priced neoclassic cars—styled after cars of the '20s and '30s—fell in demand.

Indeed, the Precedent's designer is the same Alain Clenet that started the neoclassic wave with the Ford-based roadster that bore his name.

For the Precedent, his design collaborator is Mark P. Stehrenberger, noted automotive artist. Dick Gulstrand is chassis consultant.

Builder, and the man who commissioned the Stehrenberger-Clenet team, is Fred L. Lands. Lands Design, Elkhart, Ind., already produces what Lands says is the most expensive van conversion, producing vehicles that sell for up to $28,000.

• Precedent won't be a conversion, he stressed. It will use the front suspension of the Chevrolet S-10 pickup truck, drivetrains of the Chevrolet Camaro and Lincoln Continental, doors and frames of a Citroen automobile, and chassis and body panels unique to the Precedent.

It is to be a front-engined,

Continued on Page 42, Col. 3

U. S. TRUCK REGISTRATIONS

SEVEN MONTHS, 1984 VS. 1983★

Make	7 mos., 1984	Percent Share of '83 market	7 mos., 1983	Percent Share of '83 market	Pct. pt. Change, '84-'83
Ford	668,781	28.98	518,521	31.93	− 2.95
Chevrolet	638,772	27.68	497,094	30.61	− 2.93
Dodge	241,332	10.46	144,585	8.90	+ 1.56
GMC	173,006	7.50	139,752	8.60	− 1.10
Jeep	80,421	3.49	38,438	2.37	+ 1.12
Plymouth*	46,696	2.02	5,530	0.34	+ 1.68
International	33,667	1.46	26,314	1.62	− 0.16
Mack	13,228	0.57	8,382	0.52	+ 0.05
Freightliner	8,485	0.37	5,864	0.36	+ 0.01
Kenworth	7,568	0.33	3,662	0.23	+ 0.10
Peterbilt	7,011	0.30	3,723	0.23	+ 0.07
White	3,865	0.17	1,234	0.08	+ 0.09
Mercedes-Benz	1,177	0.05	1,515	0.09	− 0.04
Volvo	1,070	0.05	825	0.05	.....
Autocar	700	0.03	516	0.03	.....
Western Star	308	0.01	170	0.01	.....
Miscellaneous**	381,495	16.53	227,883	14.03	+ 2.50
TOTALS	2,307,582	100.00	1,624,008	100.00	.....

★—New York and Oklahoma for 1984 compiled from manufacturers' sales record; no registrations for Oklahoma, 1983; Louisiana registrations, July, 1984, delayed.
* Plymouth trucks are Trail Duster, Voyager, Scamp and Arrow.
**Miscellaneous includes imports, Crane Carrier, Oshkosh, FWD, Hendrickson, etc.

U. S. HEAVY-DUTY REGISTRATIONS

SEVEN MONTHS, 1984 VS. 1983★

Make	7 mos., 1984	Percent Share of '84 market	7 mos., 1983	Percent Share of '84 market	Pct. pt. Change, '84-'83
International	24,103	22.70	16,825	24.52	− 1.82
Ford	21,208	19.98	14,803	21.57	− 1.59
GMC	14,322	13.49	8,625	12.57	+ 0.92
Mack	11,301	10.64	7,210	10.51	+ 0.13
Freightliner	8,485	7.99	5,864	8.55	− 0.56
Kenworth	7,568	7.13	3,662	5.34	+ 1.79
Peterbilt	7,011	6.60	3,723	5.43	+ 1.17
Chevrolet	5,108	4.81	3,999	5.83	− 1.02
White	3,865	3.64	1,234	1.80	+ 1.84
Volvo	1,070	1.01	825	1.20	− 0.19
Autocar	700	0.66	516	0.75	− 0.09
Mercedes-Benz	442	0.42	517	0.75	− 0.33
Western Star	308	0.29	170	0.25	+ 0.04
Miscellaneous	675	0.64	642	0.93	− 0.29
TOTALS	106,166	100.00	68,615	100.00	.....

★—New York and Oklahoma for 1984 compiled from manufacturers' sales records; no registrations for Oklahoma, 1983; Louisiana, July, 1984.

HD registrations for seven month 2nd-highest ever

Registrations of new heavy trucks in the U. S. in the first seven months of 1984 were the second-highest for the period in industry history.

According to R. L. Polk and Co. statistics, 106,166 Group 7 and 8 units were registered through July, a 54.73 percent increase over the year-ago 68,615 units.

The alltime high for the January-July period was achieved in 1979 with 125,502 Group 7 and 8 tallies. This year's total was 15.41 percent behind that pace.

July tallies totaled 17,600 units, a gain of 67.36 percent over the 10,516 registered in the same month a year ago.

Registrations of Group 7 trucks through the first seven months totaled 36,386, up 32.84 percent over the 27,390 units registered in the year-earlier period.

The Group 8 count through July was 69,780 units, up 69.27 percent from the year earlier 41,225.

recreation on wheels

Total up 18.2 pct. to 224,200 units

6 month RV shipments top '83 in spite of a sag

First-half shipments of recreation vehicles from manufacturers to dealers were almost 20 percent higher than a year ago in spite of a cooling in wholesale activity that started in the second quarter.

The Recreation Vehicle Industry Assn. reported that manufacturer/members delivered approximately 224,200 units in the January-June period, an increase of 18.2 percent over the year ago 189,700 vehicles.

While June shipments were up slightly from the same month in 1983, they were down from those in March, April and May.

During the month, according to RVIA, dealers received approximately 37,100 units, an increase of 2.2 percent over the year-earlier 36,300. Manufacturers shipped 40,000 RVs in May, 44,000 in April and 41,600 in March.

However, a spokesman said, "retail sales continue to grow and have now exceeded wholesale for the first time this year as dealers begin inventory adjustments sensitive to rising interest rates."

The Index of Consumer Sentiment declined slightly in June to 95.5, but Dr. Richard Curtin, survey director, said "it still remains at a very favorable level."

• He said the small decline from the record level of 101.0 recorded in March "does not detract from the overall favorable consumer-sentiment readings.

"Consumer buying decisions have been and will continue to be very responsive to interest-rate trends, but the sustained strength in personal finances points toward continued high sales levels through 1984 and into early 1985," he added.

Factory shipments for the first six months were higher in all seven market segments, but lower in four of them in June.

Motorized equipment scored the biggest percentage gains in the January-June period.

Through June, shipments of all types of motor homes were up 38.9 percent to approximately 47,500 units, compared with 34,200 in the like period a year ago.

Manufacturers shipped 22,700 conventional (Type A) motor homes in the first half, a gain of 42.8 percent over last year's 15,900. Chopped vans — mini, low-profile and compact motor homes — were up 32.5 percent, 20,400 versus 15,400.

Deliveries of van campers (Type B) totaled 4,400 through June, an increase of 51.7 percent over the year-earlier 2,900.

RVIA defines the van camper as a panel-type truck to which the RV manufacturer adds any two of the following conveniences: Sleeping, kitchen and toilet facilities, 110-volt hookup, fresh-water storage, city-water hook-up, and a top extension to provide more headroom.

In the first half, manufacturers delivered 93,000 multi-use vehicles, a gain of 15.4 percent over the year-ago 80,600 units.

A multi-use vehicle, according

Continued on Page 38, Col. 3

ElDorado sales, earnings reach peak in fiscal '84

MINNEAPOLIS, Kans. — ElDorado Motor Corp. reported record sales and earnings from operations for the fiscal year ended June 30.

Sales rose 71 percent to $53.3 million, versus $31.2 million a year earlier. Earnings increased to $1.2 million from $647,000 before $896,000 of tax credits and other extraordinary items a year earlier.

ElDorado manufactures small buses and a line of motor homes.

Robert L. Stewart, ElDorado president, said the company's strategic planning and timely capacity expansion in fiscal 1984 were key reasons for the record results.

"Last year, both our bus and motor-home unit volume grew more than 50 percent," he said.

Continued on Page 42, Col. 5

Continental Shelf enhances payload access

Hacke Enterprises, Inc., Chico, Calif., has introduced the Continental Shelf, a device it says "greatly enhances payload access, particularly for pickup trucks with camper shells." The shelf, available in lengths of 6 and 8 feet, fits any width pickup bed and is easy to install, the firm says.

By Lead Industries Assn.

Development of electric car traced

NEW YORK. — "Where in the world is the electric car?"

The question is posed often, and with merit. The educated answer is that the electric car is everywhere — in Detroit, in London, in Tokyo and in other world energy and transportation hubs.

Yet to the lay person, the answer is that the electric car must be nowhere because few of them can be seen on city streets, according to Lead Industries Assn., Inc. (LIA), based here.

"Where in the world is the electric car?" is also the query addressed by Joe D. Hall, acting deputy assistant secretary for conservation at the Department of Energy, which administers the U.S. Government's various electric vehicle programs.

Hall's assessment of the situation is decidedly more optimistic than that of the general public, a growing portion of which is beginning to question whether electric vehicles will again be commercialized as they were early in this century, before the advent of the internal combustion engine.

Yet lead batteries should again be at the heart of EVs if they are revived.

"Clearly, reduction of oil consumption, flexible energy systems and energy options apply to electric and hybrid (electric/IC combination) vehicles," Hall said.

This is in line with current U.S. energy policy, where the strategy is twofold:

1. To minimize federal control over, and involvement in, energy markets while maintaining public health, safety and environmental quality.

2. To seek a balanced and mixed energy resource base from both conventional fuels (oil, gas, coal, nuclear) and renewables such as hydroelectricity, solar, wind, geothermal and biofuels. And, of course, conservation in general.

• The essential thrust of today's U.S. energy policy is to reduce dependence on unreliable sources of energy.

LIA and Hall agree that the "electric" car means the "battery-powered" car, and it appears to be the ideal way to link the principal consumer of petroleum in the transportation sector to the nation's existing capability to generate abundant energy from alternate resources.

The foregoing is also supported by DOE statistics that break down transportation sector petroleum consumption by vehicle category. In 1980, cars and light trucks consumed 65 percent of the petroleum used in transportation. The corresponding figure for the year 2000 is projected to be 53 percent.

Meanwhile, over the past 10 years, the total amount of energy consumed in generating electricity has held constant at around the energy equivalent of 10-11 million barrels of oil per day, but the fraction of this energy input from petroleum has dropped from 17 percent in 1973 to less than 7 percent in 1982, LIA said.

Cognizant of the fuel flexibility inherent in battery-powered vehicles, and having just gone through the energy crisis of the early 1970s, governments around the world intensified their searches for alternative sources of energy, especially for transportation.

In the U.S., Congress enacted the Electric and Hybrid Vehicle Research, Development and Demonstartion Act of 1976.

This act established the electric and hybrid vehicle programs within DOE to "encourage and support accelerated research into, and development of, electric and hybrid vehicle technologies."

• Congress and the Administration continue to support this law, although at reduced funding levels from prior years. Nevertheless, a large part of the funds earmarked for this program are being allocated to energy storage systems — particularly battery systems and, specifically, lead acid battery systems.

According to Hall, the DOE's battery/propulsion system R&D has determined that, despite the advent of "advanced" technologies continuing improvements in the lead acid battery make it a viable candidate both for near-term and long-term use in electric vehicles.

Hall conceded that electric vehicles may remain in the R&D phase until near the turn of the century, but he also urged the public to consider recent developments aimed at bringing electric vehicles to market.

Following is a summary of

Continued on Page 32, Col. 3

Hope's Whisper

This is a prototype of the Hope Whisper, an electric passenger car that Denmark's Hope Automobil Industri plans to begin mass-producing by the end of 1984 and marketing worldwide soon thereafter.

Uniroyal Canada plans to spend $22 million

KITCHENER, Ont.—Uniroyal, Ltd., has announced capital spending of $22,238,000 to continue the modernization of its plant here to manufacture radial tires.

The project is designed to maintain sales and protect the jobs of 1,900 employes, said Stewart N. Smith, chairman of the firm.

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Olds' Dallas zone gains top spot

DALLAS.—Oldsmobile's Dallas zone has gained the top spot in the U.S. in market penetration, according to R. L. Polk Co.

Polk's report, based on the first six months of 1984, reflects sales throughout the entire zone, which includes Oldsmobile dealerships in East Texas, the southern half of New Mexico and three stores in the Shreveport, La., area. Oldsmobile has 27 zones in the U.S.

The zone's strong showing "was aided by the fact that Oldsmobile is number one in sales and registrations in the metropolitan areas of both Dallas and Fort Worth," said Bill Thompson, zone manager.

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Beckman signs with Cadillac

Jim Beckman, Beckman Chevrolet, signs an agreement to become a Cadillac dealer in Defiance, O. On hand for the signing were, standing from left: Patricia Beckman; F. A. Forton, district sales manager for Cadillac, and Michael Beckman, sales manager for Chevrolet at the dealership.

GMR promotes Hile

WARREN, Mich. — John W. Hile has been appointed assistant head of the General Motors Research Laboratories electronics department. He formerly was a senior staff research engineer in that department.

By Lead Industries Assn.

Development of electric car traced

Continued from Page 22

some of these developments:

In the U. S., 1983 witnessed the delivery to DOE by General Electric Corp. of HTV-1, a hybrid designed to utilize a lead-battery-powered electric motor in conjunction with a four-cylinder gasoline engine.

It is now undergoing testing at the Jet Propulsion Laboratory in Pasadena, Calif., and is said to offer unlimited range owing to the IC option. Other battery types are also being tested in HTV-1.

Field testing and evaluation of various electric vehicles and off-the-shelf and prototype components by DOE site operators (in both public and private sectors) around the country have resulted in the gathering of data that is spurring additional work.

• At present, DOE is planning to install new gelled electrolyte lead acid batteries in a number of site operator electric vehicles for road testing. Gelled electrolyte cells have displayed encouraging performance, cycle life and maintenance characteristics in laboratory tests, LIA said.

Important electric vehicle programs outside the federal DOE program are steadily advancing, the association said. Those of the independent Electric Power Research Institute, Palo Alto, Calif., were cited as prime examples.

A recent private sector initiative has been the formation of Electric Vehicle Development Corp., basically a group of electric utilities that are aggressively promoting electric vehicles in various ways.

One key member of the new organization, Detroit Edison Co., is already operating an electric car service center.

Elsewhere in the world, Hope Automobil Industri A/S, Hadsund, Denmark, plans to begin mass-producing the Hope Whisper by the end of 1984. It is a small electric passenger car with room for two adults in the front, two children in the rear and a reasonable amount of luggage.

The Whisper has demonstrated a range of up to 60 miles on a single eight-hour charge and has attained a top speed of about 48 MPH. Hope said the Whisper can reduce driving costs by two-thirds compared with conventional IC passenger cars.

The company expects to make 2,000 of the vehicles in the first year of production and 10,000 by 1987. Reportedly, the Whisper will be marketed worldwide, with considerable sales expected in the American market. It will be priced at about $6,000.

Hope recently announced an agreement with American interests to ship up to 226,000 of the cars to the U.S. over several years.

In the UK, the Batford Escort electric van is meeting with "predictable" success, LIA said. One was acquired recently by England's Eastern Electricity Board.

With an on-board charger, the Batford Escort cruises at 40-50 MPH, attains a top speed of 60 MPH, and has a range of about 44 miles between charges, LIA said. A number of similar light utility vans are being produced in Britain for the European market.

Meanwhile, Britain's Sinclair Vehicles, Ltd., plans to produce at least 100,000 so-called "electric runabouts" (three-wheelers) beginning in 1985.

Finally, LIA said, "Such formidable European auto industry names as Mercedes-Benz, Peugeot and Alfa Romeo are designing battery-powered cars that are expected to reach the European and/or U.S. markets within the next year or two. So are at least two Japanese auto makers."

ATD BUSINESS MANAGEMENT SEMINAR FOR TRUCK DEALERS PHILADELPHIA, PA. OCTOBER 24-25, 1984

CONVENTION WORKSHOPS FOR TRUCK DEALERS

HOW TO COMPLY WITH THE LAW: TRUTH IN LEASING GUIDE

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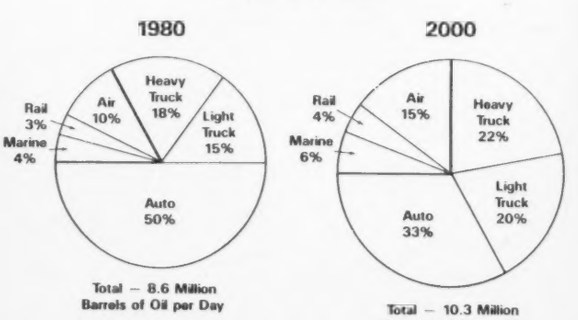


NHTSA denies 4 petitions on possible safety defects

WASHINGTON.—NHTSA has denied four safety defect petitions filed by private citizens.

The first petition asked NHTSA to determine whether 1975-76 Fiat 124 cars contained the same rust defect that led to a manufacturer's recall of 1970-74 models.

The agency said it had received only 10 complaints on the 1975-76 models and concluded that Fiat's improved rust protection after 1974 made a safety defect in later cars unlikely.

A defect proceeding on alleged timing-belt failure in 1981-82 Ford Escort and Mercury Lynx cars was denied by NHTSA.

Although Ford Motor Co. has moved to extend its warranty coverage on the timing belts, has agreed to cover engine repairs associated with timing belt failure and has improved its timing-belt material, NHTSA found that the timing-belt problem did not constitute a safety hazard.

Transaxle lockup, loss of power steering assist, electrical system failures and excessive engine oil consumption were alleged in a third petition involving a 1978 Plymouth Horizon. However, NHTSA ruled that these problems did not constitute likely safety hazards and denied the petition.

The fourth petition asked for an investigation into an alleged defect on 1983-84 Ford F-250 HD pickup trucks.

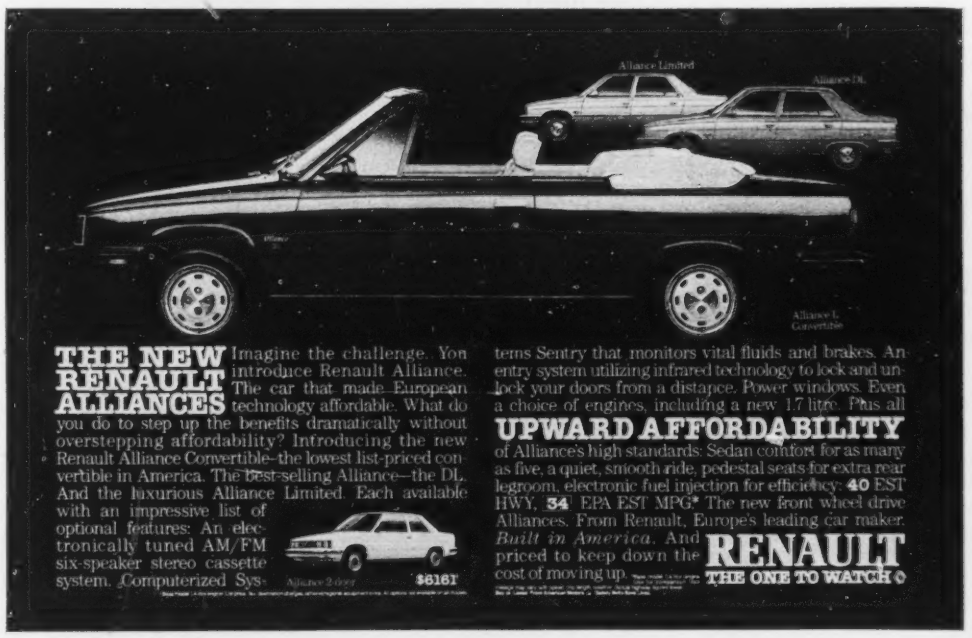
The petitioner complained that the location of the upper torso restraint would cause a blister on the occupant's neck because of the reel location. NHTSA examined the problem using four adult males of different heights and weights, but observed no interference between the neck and belt.

Automotive News EXTRA

BEST AVAILABLE COPY

September 24, 1984

MARKETING '85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of Alliance's high standards: Sedan comfort for as many as five, a quiet, smooth ride, pedestal seats for extra rear legroom, electronic fuel injection for efficiency: 40 EST HWY, 34 EPA EST MPG* The new front wheel drive Alliances. From Renault, Europe's leading car maker. Built in America. And priced to keep down the cost of moving up.
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RENAULT
THE ONE TO WATCH

Auto makers across the board are boosting ad budgets for 1985. Among them: Pontiac, above, story Page E-38; Lincoln-Mercury, upper right, story Page E-26; and Renault, lower right, story Page E-6.

More respect, more bucks

Marketers shed Dangerfield complex

By Joseph Bohn
Marketing Editor

Automotive advertising and marketing have definitely shaken their Rodney Dangerfield complex. They're getting more than the normal amount of respect from companies such as General Motors which are trying to come to grips with marketing in all of its ramifications and complexities.

Moreover, more advertising/promotional dollars are being pumped into various media as the domestic auto industry, particularly, strives to explain its updated products and the new high-tech image that goes with them.

With fewer sales stimulators, like consumer rebates and dealer incentives, required these days, auto companies also have more money to polish their images.

In 1983 the six domestic manufacturers (GM, Ford Motor Co., Chrysler Corp., American Motors, American Honda and Volkswagen) spent a hefty $1.6 million in advertising and promotional expenditures, about $200 million more than the previous year, according to Advertising Age estimates.

As usual, General Motors outspent everybody by pretty wide margins. GM's expenditures jumped 8.2 percent to $595.3 million in 1983.

Most of GM's expenditures rose fairly uniformly in the U. S., except for network TV. It jumped a sharper-than-average amount, reaching $201.4 million from $164.3 million the previous year.

Magazines recorded a modest gain to $89.0 million from $86.1 million in 1982, while newspaper expenditures jumped to $88.6 million from $82.0 million in 1982.

Among car divisions, Chevrolet increased spending to an estimated $178 million from $155 million in 1982, as it staged a strong comeback in the marketplace.

Chevrolet's biggest expenditure, network TV, jumped to $93 million from $76 million the previous year.

Buick outlays were similarly up, reaching $48.6 million in 1983 against $43 million the previous year. There were major increases in magazines (to $10.6 million from $7.9 million) and network TV (to $17.8 million from $13.7 million), according to Ad Age.

Oldsmobile's measured ad spending decreased to $45.5 million from $48 million in 1982. Declines came in every category except network TV which rose to $12 million from $9.6 million.

Pontiac's image-building campaign cost only slightly more—$55 million against $52.8 million in 1982. The largest gain was in spot TV which increased to $10.8 million from $8.9 million the previous year. Network TV dipped to $19.7 million from $20.5 million.

Cadillac ad spending increased slightly to $22.5 million from $21.6 million in 1982.

GM, of course, advertises through a number of other divisions such as the Truck & Bus Group, AC-Delco, Delco Electronics, GM Parts and GMAC.

At Ford Motor Co., Ford Division spent $210.9 million, up 39 percent from the previous year. Measured spending included $148 million on TV, up 38.3 percent. Magazine spending more than doubled to $19 million from $9.2 million, and spot radio dropped to $14.6 million from $17.6 million in 1982.

Lincoln-Mercury, meanwhile, increased spending by 34.5 percent to $74.8 million, TV showed the biggest increase to $53 million, up 33.5 percent. Magazines climbed 30.4 percent to $18 million.

At Chrysler Corp., network TV garnered $84.2 million of the budget, up from $68.2 million in 1982. Magazines grabbed the second-highest, $44.8 million, up sharply from $25.6 million in 1982. Newspapers came in third with $31.8 million compared to $29.6 million the previous year.

Volkswagen made magazines

Continued on Page E-4

U. S. Market Outlook: Composite of Calendar Year Sales Forecasts

(In Millions)

	1984			1985			1986			1987		
	Car	Truck	Total	Car	Truck	Total	Car	Truck	Total	Car	Truck	Total
Davis	10.5	3.9	14.4	10.8	4.5	15.3	11.0	4.7	15.7	10.5	4.3	14.8
Fricke	10.6	3.5	14.1	10.9	3.5	14.4	10.3	3.0	13.3	.....	...	.....
Hammond	10.6	4.2	14.8	10.6	4.3	14.9	10.4	4.2	14.6	.....	...	.....
Healy	10.6	4.0	14.6	10.6	4.1	14.7	9.3	3.6	12.9	.....	...	.....
Heinbach	10.5	4.0	14.5	10.4	4.1	14.6	10.0	4.0	14.0	.....	...	.....
Jouppi	10.7	3.8	14.5	12.0	3.9	15.9	11.6	3.6	15.2	11.7	3.5	15.2
Knight	10.7	3.7	14.4	11.2	4.0	15.2	11.4	4.1	15.5	.....	...	.....
Maher	10.6	4.0	14.6	10.8	4.0	14.8	9.7	3.4	13.1	10.2	3.7	13.9
O'Grady	10.6	3.8	14.4	10.2	3.6	13.8	10.7	3.8	14.5	10.9	4.1	15.0
COMPOSITE	10.6	3.9	14.5	10.8	4.0	14.8	10.5	3.8	14.3	10.8	3.9	14.7

Legend: Arthur G. Davis, Prescott Ball & Turben; Philip Fricke, Goldman Sachs; John Hammond, Data Resources Inc.; David Healy, Drexel Burnham Lambert; Harvey Heinbach, Merrill Lynch Pierce Fenner & Smith Inc.; Arvid Jouppi, Arvid Jouppi Associates, Inc.; Ann Knight, PaineWebber Inc.; John Maher, Citicorp; Thomas O'Grady, Chase Econometrics.

Panel predicts rising sales in 1985

Composite forecast is 10.8 million cars and 4.0 million trucks

By Michelle Krebs
Financial Editor

New vehicle sales in 1984 are turning out better than expected and should be even better in 1985, according to top market analysts and economists surveyed by AUTOMOTIVE NEWS.

After analysts were caught being overly optimistic in their forecasts for 1983, the first year of the upswing, they appeared to play it more conservatively when asked about 1984 new vehicle sales in the U. S. at this time last year. All ultimately updated their 1984 forecasts during the year.

In September last year, estimates made by the panel of analysts and economists averaged out to a 13.8 million vehicle year—10.3 million car and 3.5 million truck sales.

The updated composite for 1984 now stands at 14.5 million —10.6 million cars and 3.9 million trucks.

The analysts say many of the factors that caused 1984 to be better than they anticipated will continue to play a major role in making 1985 an even better year.

For 1985 their composite forecast is for a 14.8 million unit year—10.8 million cars and 4.0 million trucks.

The analysts' forecasts range from a low of 13.8 million total units to 15.9 million. For car sales only, estimates range from 10.2 million to 12.0 million. The lowest estimate for trucks is 3.5 million while the highest is 4.5 million.

The analysts and economists agreed the general economy in 1984 rebounded more than they anticipated.

Perhaps most important, consumer confidence stands at its highest level in years.

"Consumers are feeling better about their employment situation. They are feeling better about committing to four years of monthly payments," said Harvey Heinbach, auto analyst for Merrill Lynch Pierce Fenner & Smith Inc.

Arthur G. Davis, auto analyst for Prescott Ball & Turben, agreed: "They've been employed again and have had time to build reserves."

Interest rates have remained relatively stable, with the ups and downs not seriously impacting monthly payments on car loans, and gasoline prices have dropped.

Davis

Hammond

Healy

Heinbach

Jouppi

Knight

O'Grady

Keller

In addition, the rate of increase in the consumer's income has increased faster than the rate of car price increases, causing the real cost of an automobile to fall, said Philip Fricke, auto analyst for Goldman Sachs.

"The latent demand for automobiles from four years of a depression asserted itself stronger than anticipated," noted Arvid Jouppi, of Detroit's Arvid Jouppi Associates Inc.

Also, a strong truck market contributed to the rebound in the auto industry in 1984 and should continue in 1985.

The success of mini-vans, included in the truck segment, surpassed expectations and has prompted forecasters to up their prediction for future truck sales as more manufacturers enter the mini-van market.

Mini-vans, noted Davis, seem to have created a new niche in the market.

"The real test of mini-vans will be when GM's are on stream," he said. "If there's good market, this vehicle should expand the market as opposed to slowing down traditional truck sales."

Davis added the truck segment seems to be attracting a new kind of buyer. The consumer who previously purchased a high-performance, sporty car has turned to, for example, a four-wheel-drive truck, as the price of sports cars has soared.

Japanese manufacturers, who have been restricted on the number of cars they ship to the U. S., have focused their attention on the truck market.

They have initiated aggressive price promotions on light trucks, making the light-truck segment one of the few places in which there is serious price competition, noted Maryann Keller, a former auto analyst who now is a director for Vilas-Fischer Associates. Inexpensive light trucks have replaced subcompact automobiles as basic transportation, she said.

In addition, the truck segment has benefited from increased capital spending by corporations and small businessmen.

As for 1985, analysts and economists see the trends of 1984 rolling into the next year. They see little to veer the economy from the course charted in 1984—at least for the first half of 1985.

Fricke, of Goldman Sachs, said the consumer will play an even more important role in 1985 than in 1984. For the past two years, the commercial purchase of vehicles for fleets has accounted for the biggest portion of purchases, leaving plenty of room for the individual consumer in 1985.

Consensus of the analysts on voluntary import restraints on Japanese automobiles is that quotas will be lifted—either completely or, at the very least, liberalized substantially. All see the Japanese holding the line on the number of cars they ship to the U. S., since the threat of some kind of local content legislation will continue to loom large over the next year and would only be spurred along if the U. S. market were flooded with Japanese imports.

The analysts see Japanese auto makers shipping 200,000 to 300,000 additional cars to the U. S. next year, increasing Japanese imports to 2.1 million to 2.3 million a year and boosting market share a few percentage points to about 26 percent.

That means, with the addition of more Japanese companies producing cars in the U. S. along with increased imports, the traditional domestic auto companies may not necessarily enjoy the boom of 1985. Analysts predict Ford and, even more so, Chrysler, will be most vulnerable to losing market share to the imports.

Beyond 1985 there is little agreement among the analysts and economists.

Some are placing what they think is an inevitable downturn in the economy as early as the end of 1985, but certainly by 1986.

Others see the boom continuing a couple years beyond next year, though not to the degree of 1985, which all say will be the peak year.

Jouppi contends the simple fact that the American automobile fleet continues to be one of the oldest ever and the fact that baby boomers, growing older and more affluent, will be an even more important force in the market are reasons enough to believe the boom will not end after 1985.

For 1986 the analysts' composite forecast is for a year much like 1984 in numbers—a 14.3 million unit year with cars totaling 10.5 million and trucks at 3.8 million.

Forecasts range from a low of 13.1 million units to a high of 15.7 million total units. For cars the lowest estimate is for 9.3 million with the highest at 11.6 million. For trucks the low end of the range is 3.0 million to a high of 4.7 million.

Only four of the nine analysts and economists surveyed would venture beyond forecasting 1986.

The composite for 1987 was for 14.7 million total units with a composite of 10.8 million cars and 3.9 million trucks. Individual forecasts varied substantially from Maher's 13.9 million total (10.2 million cars and 3.7 million trucks) to Jouppi's 15.2 million total (11.7 million cars and 3.5 million trucks). □

Sales up 17 percent

New-car sales in the U. S. in the first eight months of 1984 numbered 7,185,408, up 17.59 percent from 6,110,701 in 1983. Domestic sales for those eight months were up 24.56 percent, to 5,533,924 from 4,442,778. Imports slipped behind '83 by 0.99 percent, to 1,651,484 from 1,667,923.

Where auto market was in August

	Total Sales	Pct. of Total
SUBCOMPACT	117,804	14.45
COMPACT	147,689	18.12
INTERMEDIATE	180,152	22.10
STANDARD	86,279	10.58
LUXURY	71,545	8.78
IMPORT	211,730	25.97
TOTAL	815,199	100.00

U. S. CAR SALES BY MARKETING UNITS

	August, 1984	August, 1983	8 Mos., 1984	8 Mos., 1983
Chevrolet	118,558	110,203	1,126,953	895,311
Ford	92,832	78,304	861,304	677,686
Oldsmobile	74,022	74,022	773,879	661,099
Buick	74,360	67,101	647,328	555,805
Tuyota	57,556	50,321	378,976	382,629
Pontiac	53,968	43,665	497,289	344,744
Nissan	46,832	47,451	333,262	371,251
Mercury	43,676	33,496	357,022	265,576
Honda	40,236	31,651	341,658	265,606
Dodge	29,000	28,078	278,374	249,149
Plymouth	22,224	23,989	222,816	218,744
Cadillac	26,744	23,013	219,217	192,338
Chrysler/Imperial	27,596	22,359	220,321	172,773
AMC/Renault	18,832	17,285	146,451	152,563
Mazda	15,024	15,071	113,323	118,525
Volkswagen of America	19,104	20,730	194,011	15[illegible],077
Subaru	11,968	14,747	105,615	107,523
Lincoln	12,427	9,362	102,363	65,521
Volvo	7,543	7,225	74,699	63,786
Mercedes-Benz	5,998	6,289	48,867	48,129
BMW	4,283	5,951	46,294	37,733
Mitsubishi	2,755	3,271	24,927	20,305
Saab	2,367	2,118	23,173	18,262
Isuzu	1,842	1,826	11,334	13,705
Jaguar	1,300	1,176	11,503	9,966
Peugeot	1,647	1,144	12,892	9,865
Fiat	.....	.....	.....	5,002
Alfa Romeo	547	237	2,603	2,244
Maserati	175	.....	1,508††	.....
I.A.I.	200†	.....	1,349†	.....
TOTAL	815,199	740,085	7,185,408	6,110,701

†—Estimate ††—7-Months Total.

Chevrolet includes Sprint; Honda includes imports and domestics; VWoA includes all VWs plus Porsche and Audi; Fiat includes Lancia; Dodge includes Colt, Challenger, Vista; Plymouth includes Colt, Challenger and Vista.

IMPORTED CAR SALES

	August, 1984	August, 1983	8 Mos., 1984	8 Mos., 1983
Alfa Romeo	547	237	2,603	2,244
Audi	4,357	4,405	48,193	31,379
BMW	4,283	5,951	46,294	37,733
Chevrolet Sprint	1,583	.....	6,097	.....
Conquest/Challenger	233	1,217	2,779	11,446
Plymouth Colt	2,904	3,559	19,039	22,301
Dodge Colt	3,259	4,036	21,673	25,532
Fiat	.....	.....	.....	4,489
Honda	28,019	25,786	254,147	238,275
I.A.I.	200†	.....	1,349†	.....
Isuzu	1,842	1,826	11,334	13,705
Jaguar	1,300	1,176	11,503	9,966
Lancia	.....	.....	.....	513
Maserati Biturbo	175	.....	1,508††	.....
Mazda	15,024	15,071	113,323	118,525
Mercedes-Benz	5,998	6,289	48,867	48,129
Mitsubishi	2,755	3,271	24,927	20,305
Nissan	46,832	47,451	333,262	371,251
Peugeot	1,647	1,144	12,892	9,865
Porsche	1,439	1,883	14,556	15,239
Renault	1,301	3,452	8,901	19,500
Saab	2,367	2,118	23,173	18,262
Conquest/Sapporo	237	1,093	2,435	9,267
Subaru	11,968	14,747	105,615	107,523
Toyota	57,556	50,321	378,976	382,629
Vista	1,451	3	8,984	3
Volkswagen	6,910	6,864	74,355	51,169
Volvo	7,543	7,225	74,699	63,786
TOTAL	211,730	209.125	1,651,484	1,667,923

†—Estimate ††—7-Months Total.

Ad spending

Continued from Page E-1

their dominant media with $37.9 million compared to $28.6 million the previous year.

Network TV was off slightly with $22.2 million against $23.0 million the previous year. Spot TV jumped to $16.9 million from $17.2 million in 1982.

Newspapers tallied $9.9 million, down from $16.0 million in 1982.

American Motors spending, which soared sharply to $100.8 million, included $51 million for network TV. That was nearly double the $26.0 million AMC spent on network TV in 1982. Magazines stayed about even with $15.6 million against $15.7 million in 1982. Newspapers were $8.3 million against $6.0 million the previous year.

American Honda expenditures included $41.5 million for network TV, up sharply from $29.9 million in 1982. Magazine spending also jumped sharply to $19.9 million from $15.5 million in 1982. Newspapers climbed to $8.0 million from $7.0 million the previous year. □

Import advertising spending continues to increase, though not at the rate it would if there were no Japanese car quotas in the U.S. See story on Page E-38.

Network TV cashes in

Pontiac pours 80 pct. of ad dollars into it

By Joseph Bohn
Marketing Editor

Network TV viewing may be off because of lackluster programming, competition from cable and a surfeit of sporting events—but some Detroit automotive divisions, flush with cash, are pitching more money into it nonetheless.

Pontiac is probably the extreme example of a division spending a disproportionate amount of ad dollars in network TV.

About 80 percent of the General Motors division's dollars are going into the medium. Charlene Curry, Pontiac advertising manager, believes TV's the most effective way to dramatize the sporty/performance "excitement" image Pontiac's seeking to promote.

It might be purely coincidence; but during the late '70s/early '80s Pontiac consistently spent a larger proportion of money in TV than its sister GM divisions—and its sales steadily worsened.

Last year it moved into print with Fiero in a big way, and had a very successful launch and a very good sales year.

Officials, though, are reportedly impatient with how quickly Pontiac's image transformation is going over, and feel TV will do it faster than other media.

It will be interesting to see how Pontiac's ad strategy pays off in terms of sales in '85.

Meanwhile, American Motors plans to become a "more consistent" network advertiser this fall with a solid slate of prime time and sports every week, straight through to January, according to David Kerr, director of advertising and marketing planning.

AMC at least partly is responding to criticism by dealers of its on again/off again TV advertising in the past.

• Detroit is churning out record profits this year. Generally everybody has more money to spend. And they're doing more image-polishing in contrast to the recent recessionary years where they had to focus on hard sell.

So TV, rather than print, which helped carry Detroit through its economic tough times, is getting the nod.

Chevrolet is a biggie that is delaying a lot of print in the fourth quarter. The GM division verbally ordered gatefolds and special units which it is delaying until late in the year or the beginning of 1985.

Chevrolet's delays are partly the result of extended buildout (and later introduction) of some smaller cars for CAFE purposes. Strike concerns may have also been a factor in their delay.

Chevrolet is shifting more money into prime time and ABC's "Monday Night Football," and cutting college football where it's been a traditional leader.

Chevrolet is cutting by half its sponsorsihp of ABC's telecasts of the College Football Assn., according to Lou Schultz, executive vice president and media director at Campbell-Ewald.

Chevy's buy on CBS's college games continues at four 30-second spots and halftime billboard sponsorship, but its dollar investment dropped sharply because the cost of college football time has fallen by over 50 percent.

In cable Chevrolet will have only about 50 percent of the college football investment it had the past several years, when

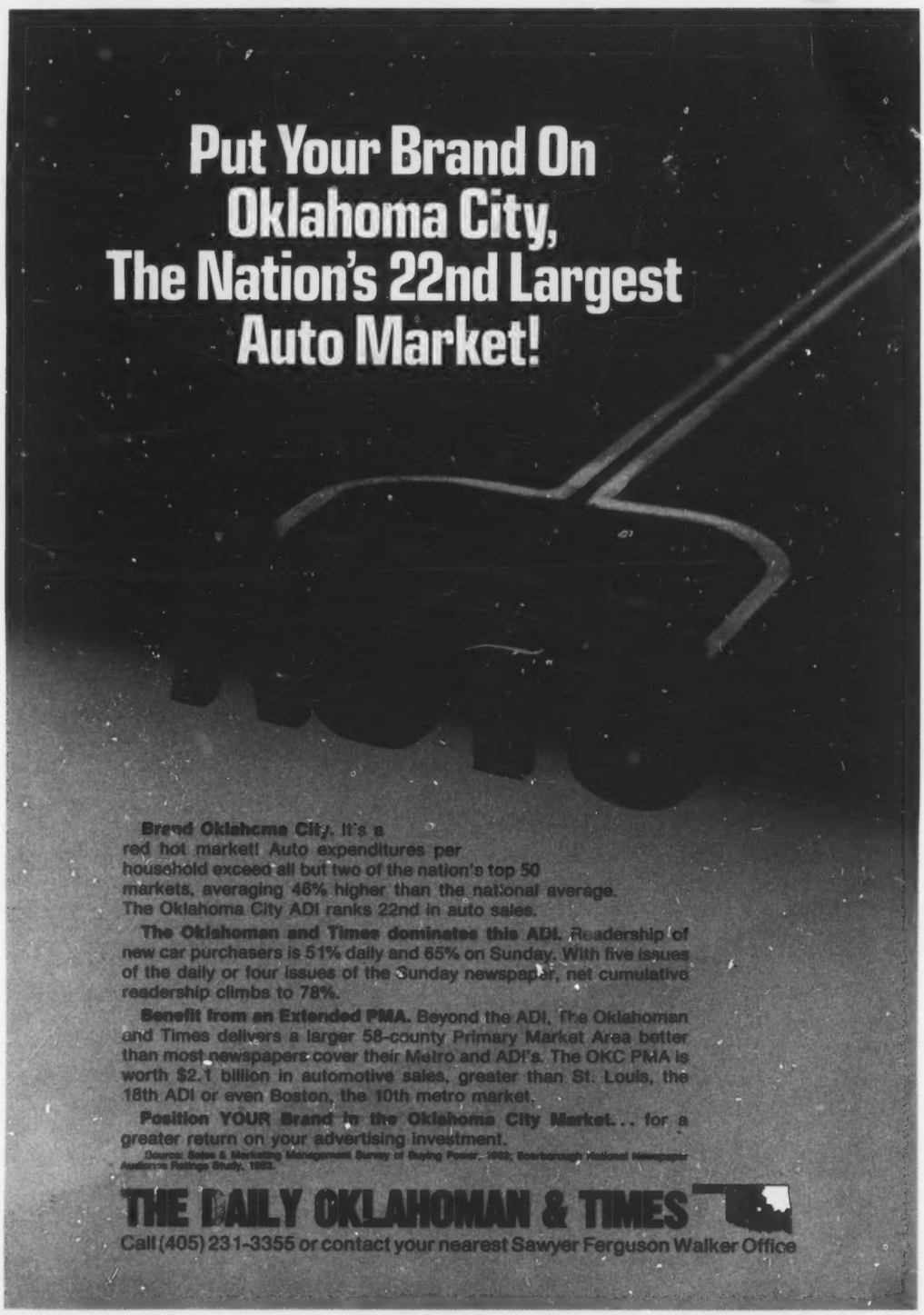
Continued on Page E-12

1983 Factory Advertising Expenditures for Cars and Trucks in U. S.

(thousands of dollars)

	Newspapers	Magazines	Farm pub.	Network TV	Spot TV	Network Radio	Spot Radio	Outdoor	Unmeasured	Total 1983	Total 1982
General Motors	88,578.5	89,020.0	1,740.9	201,350.4	25,678.4	9,410.7	29,079.4	4,183.3	146,087.9	595,129.5	549,000.0
Ford Motor Co.	49,602.6	80,346.3	3,431.3	172,308.1	37,857.4	7,185.6	12,993.1	1,805.9	113,529.7	479,060.0	387,000.0
Chrysler Corp.	31,845.7	44,845.2	716.6	84,193.7	18,626.0	2,858.0	16,651.1	679.3	29,604.5	230,020.1	214,000.0
VW of America	9,947.4	37,902.2	.....	22,177.6	16,921.8	.....	2,984.6	4.3	22,562.1	112,500.0	103,000.0
American Motors	8,314.5	15,644.5	84.2	50,972.3	6,221.7	.....	120.7	1,088.3	18,354.6	100,800.7	78,587.0
American Honda	8,059.4	19,850.4	813.7	41,529.3	10,806.9	2,636.1	11,035.8	2,450.7	18,000.0	115,182.3	94,891.8
INDUSTRY TOTAL	196,348.1	287,608.6	6,786.7	572,531.4	116,112.2	22,090.4	72,864.7	10,211.8	348,138.8	1,632,692.6	1,426,478.8

Expenditures based on Advertising Age estimates.


Put Your Brand On
Oklahoma City,
The Nation's 22nd Largest
Auto Market!
Brand Oklahoma City. It's a red hot market! Auto expenditures per household exceed all but two of the nation's top 50 markets, averaging 46% higher than the national average. The Oklahoma City ADI ranks 22nd in auto sales.
The Oklahoman and Times dominates this ADI. Readership of new car purchasers is 51% daily and 65% on Sunday. With five issues of the daily or four issues of the Sunday newspaper, net cumulative readership climbs to 78%.
Benefit from an Extended PMA. Beyond the ADI, The Oklahoman and Times delivers a larger 58-county Primary Market Area better than most newspapers cover their Metro and ADI's. The OKC PMA is worth $2.1 billion in automotive sales, greater than St. Louis, the 18th ADI or even Boston, the 10th metro market.
Position YOUR Brand in the Oklahoma City Market... for a greater return on your advertising investment.
Source: Sales & Marketing Management Survey of Buying Power, 1983; Scarborough National Newspaper Audience Ratings Study, 1983.
THE DAILY OKLAHOMAN & TIMES
Call (405) 231-3355 or contact your nearest Sawyer Ferguson Walker Office

AMC: Bigger budget, more prime time TV

Variety of new ad programs boosts spending 10 to 15 percent

CJ-7 print ads rely heavily on skillful photography depicting rugged individualists in picturesque outdoor settings and use of a single line of copy: "Only in a Jeep."

By Joseph Bohn
Marketing Editor

SOUTHFIELD, Mich.—American Motors is stepping up advertising spending in '85 with a variety of new programs and a more consistent TV presence.

"We'll be a heavy prime time TV advertiser every week" between September and Christmas, noted David Kerr, director of advertising and marketing planning.

Heavier TV also includes ESPN Saturday night football, plus MTV. Magazine has been increased with a new college program. Meanwhile, AMC is also pumping lots of money into its dealer association co-op program.

All this adds up to a 10 to 15 percent increase in spending, Kerr said.

Generally, price/value are still the themes for Renault Alliance and Encore subcompacts. Jeep ads get a little feistier with more direct head-on comparisons, necessary because of increasing competition in that vehicle segment, Kerr said.

European technology and affordability are still key themes of Alliance. "Renault, the one to watch" is the signoff for all car advertising.

Consistency is important, Kerr noted, because "in the real world, Renault is a brand name that came out of nowhere" and therefore needs constant reinforcement.

One Alliance commercial is an image-builder. It shows the familiar bridge-over-chasm, with Alliance crossing over from high-priced technology to affordability.

A second commercial targets competitors in the under $7,000 class. A fulcrum, with four competitors at one end, tips toward Alliance at the other, as the voiceover says, "All cars under $7,000 are not created equal." Features like long wheelbase and standard electronic fuel injection underscore the point. The price-leader model's $6,161 tag is prominent in ads.

Encore has a sportier orientation. One commercial dramatizes, "You are what you drive" by having a brightly clad individual turning sideways and dissolving into an Encore.

"Imagine yourself as an Encore" says the voiceover, ticking off sales points such as European design, handling and efficiency.

Appealing also to a buyer group composed 40 percent of females, another Encore commercial shows a woman sitting on the floor "playing" with little cars that circle her. "We all play the small car game" when shopping, says the voiceover, listing Encore features.

The sporty Encore GS has been dominating IMSA races in its class, and AMC will tell that story in print that runs in several racing publications.

The new Alliance convertible, with a 10,000-unit first-year sales target, will be folded into multiline ads. Limited volume precludes solo support. AMC will continue to support Fuego in print. The Renault Sportwagon will not receive special creative because of its limited volume.

Jeep ads, except for Grand Wagoneer, all use the "Only in a Jeep" signoff, again to create consistency and reinforcement in an increasingly more competitive market segment.

CJ-7 ads take last year's buffalo commercial a step further. A macho rider gallops atop a buffalo into a sleepy town, sweeping a girl up behind him, riding off down main street and into the hillside, while raucous music blares an upbeat tempo. "There's a feeling you get only in a Jeep" are the only words in this strictly fun-and-excitement emotional appeal.

CJ-7 appears in print as well, with "Only in a Jeep" as the single copy line. Ads rely heavily on skillful photography, such as a rugged individualist shaving in his CJ, against a mountainous waterfall.

This collection of six print ads will be made into a calendar for sale on college campus bookstores, and included in dealer merchandising kits.

Among Jeep models, Cherokee emphasizes the "Only" theme by talking up Cherokee's sweep of 1984 "4WD vehicle of the year" honors from three magazines that create such competition, and other singular points, like its "shift-on-the-fly" capability in its standard full-time 4WD system.

Another commercial takes on Bronco II and Blazer S-10 with reference to Cherokee's higher ground clearance, new turbodiesel engine, five-passenger seating and other characteristics.

The more upscale Wagoneer hits wagon buyers with direct comparisons to Buick Estate Wagon (more luxurious leather interior), Volvo GLC wagon (larger standard engine and better mileage) and Dodge Caravan (more cargo space; four-door design).

Eagle ads continue their security-of-4WD-appeal. One commercial, for example, depicts a mother and daughter driving through rain to a ballet. "Luxury and confidence" are the words in the ad.

Eagle will be promoted regionally in snow belt areas, for example, where it has its big appeal, and with specialized print.

Grand Wagoneer will continue being promoted in print only, with testimonials from outdoor, RV-oriented people such as Brown Cannon Jr., chairman of the Colorado Outward Bound School.

The luxurious "creature comforts" that Grand Wagoneer gives outdoor life are stressed.

From a media standpoint, Ziff-Davis Publishing Co. is doing a 16-page advertorial entitled "Four Wheel Drive Just For the Fun of It" which prominently features Jeeps (and, in passing, acknowledges a few competitors). It features Cherokee, Grand Wagoneer and other models in various settings (beach, hillclimbing). It will run in Car and Driver, Boating, Skiing, Flying and Running magazines.

There are no major shifts in Jeep or Renault media strategy.

Renault kicked off on the U. S. Tennis Open and continues in NFL and other sports and prime time TV.

Nightly news on ABC and NBC has been heavied up.

In print, newsweeklies and special upscale demographic books, like Smithsonian and Omni, are on Renault's list.

Renault also runs in Ampersand, a college publication reaching 150 campuses, and the college Directory of Classes covering 75 schools. There is also a special "spring break" guide for vacationing students that is being specially edited with AMC the only sponsor.

Kerr said Renault has a higher percent of its sales among college students than Ford, Dodge and Honda, for example, and called its new campus effort "an investment in the future."

Overall, Renault's mix is 75 percent TV, 25 percent magazine.

Jeep kicked off Sept. 23 in prime time TV, with NFL football, cable TV (ESPN football, MTV), and other sports on the list. Specialized publications like Four-Wheeler and Off-Road comprise the print.

Overall the media mix is 70 percent TV, 30 percent magazine.

Kerr said AMC is using 77 magazines for Renault and Jeep in fourth-quarter 1984. He added that AMC's co-op program, begun in January, is drawing 90 percent of dealer association's funds. The unique program offers 50/50 co-op money on a year-around basis to associations using either national factory ads or special quarterly-prepared dealer association ads, from AMC's agencies.

Dealer groups can also get 40 percent of their ad costs picked up by using their own agencies.

Saatchi, Saatchi & Compton Advertising handles Jeep and Eagle.

Grey Advertising handles Renault. □

Tent event

Sales of new and used cars at a three-day tent sale sponsored by the Harrisburg (Pa.) Automotive Trade Assn. totaled 1,046. Eighteen dealers participated.

Split-personality state

Demographics reveal 'two' Californias

Stepped-up marketing programs in California by domestic manufacturers are the order of the day. But while Detroit may view the effort as concentrating on a single market, the Golden State is two different segments with differing demographics.

According to J. D. Power & Assoc., there are marked differences between Northern and Southern California, and some manufacturers may be missing the mark by skewing their efforts in one direction or the other.

In a recent newsletter from the Power organization, an update of the firm's California market survey shows "the Southern California market differs more dramatically from the United States as a whole, while Northern California more closely resembles their 49-state counterparts."

Demographics culled from the study reveal that Southern Californians are less home-oriented, more mobile, a little younger, better educated and paid more than those living in Northern California.

In addition to having a median income $2,400 higher than those living in the north, Southern Californians are more likely to be single, with only half the sample indicating they are married. The married percentage is higher in Northern California (62 percent) and compares to 66 percent nationally.

While 71 percent of drivers in the U.S. operate a two- or four-door sedan as their primary vehicle, only slightly more than half of Californians list them as their principal vehicle. Six percent of the state's population own compact pickup trucks compared to 2 percent nationally.

According to Power, "Utilitarian-type vehicles, such as station wagons and standard pickup trucks — which hold an attraction in the more mountainous and rural Northern California—are more frequently owned by automotive consumers in the northern part of the state. In fact, Northern Californians are twice as likely as Southern Californians to use a standard truck for their work and transportation needs (12 percent versus 7 percent)."

As for purchase intent, consumers from both regions in California are joining the shift nationally to four-door sedans, which the Power organization attributes to better design and functional advantages of these vehicles.

Although demand for compact pickups in Southern California will remain fairly stable, 12 percent of Northern Californians indicate that these small trucks figure in their future purchase plans; that's double the current ownership rate of these vehicles in the region. Similarly, in the sports/utility market, demand will more than double over current ownership rates, while demand will stay fairly consistent in Southern California.

"These shifts will have their greatest impact on the standard truck and station wagon segments and demonstrate that compact pickups are being accepted as practical, utility-oriented transportation among Northern Californians," the Power Newsletter states.

The firm said these findings imply there is much more to the Northern California market than the "cosmopolitan San Francisco consumer" and that manufacturers could be missing a bet by focusing primarily on that area than the entire northern half of the state.

"Similar to the country as a whole, the California market should not be viewed as one homogeneous, uniform market. Rather, it is comprised of submarkets with varying needs that should be addressed individually. Manufacturers and advertisers who recognize this will be most successful in reaching the California consumer, particularly the important Southern California market, the newsletter concluded. □

California Demographics

	Total U.S.	Northern California	Southern California
Median age (years)	43.3	42.4	41.1
Percent married	66%	62%	50%
Attended/graduated college	50%	63%	68%
Professional/technical	20%	22%	26%
Median household income (000)	$20.3	$21.9	$24.3

Source: J.D. Power & Assoc.; "California Market Study," 1984.

California Vehicle Ownership/purchase Intent

Present Ownership*

	Total U.S.	Northern California	Southern California
2-door car	40%	33%	39%
4-door car	31	19	21
Station Wagon	10	12	9
Compact pickup	2	6	6
Standard pickup	9	12	7
Sport/utility 4x4	2	3	1

Next Purchase

2-door car	32%	30%	36%
4-door car	33	26	28
Station Wagon	9	6	9
Compact pickup	4	12	7
Standard pickup	6	2	4
Sport/utility 4x4	4	8	2

*Includes all vehicles in household fleet.

Pontiac polishing excitement image

Promotion strategy focuses on 'fun to drive' road vehicles

By Joseph Bohn
Marketing Editor

Pontiac is still polishing its excitement image, and Grand Am is the newest addition to its growing fold of performance-oriented models.

As such, the General Motors division's new coupe gets the bulk of advertising dollars in the fall quarter, according to Charlene Curry, Pontiac ad manager.

Grand Am and Pontiac 6000, followed by some Sunbird and Firebird later in the quarter, are the only ad vehicles for the introductory period.

Parisienne, Grand Prix and Bonneville are being print-supported only, according to current plans; Pontiac 1000 will get only dealer association support, with some help from special factory funding.

Overall Pontiac strategy continues to be promoting its cars as fun-to-drive, exciting road vehicles; officials feel that the motion of TV is the best way to showcase that.

As a result, Pontiac is swinging into about 80 percent TV and 20 percent other media — including magazine, some newspaper, outdoor, spot radio and direct mail.

The magazine list is way down. News weeklies, in fact, were dropped from the introductory schedule — in direct contrast to last year when print spectaculars were used for the very successful launch of the Fiero two-seat coupe.

Curry said one reason for the heavy TV load is, "We are trying to reach as many people with as much impact as possible" and TV action shots best demonstrate the "roadability and handling" of the autos which is Pontiac's main thrust

TV commercials return to the basics. There are no computer graphics or arresting visuals, like last year's road signs used to introduce Fiero.

Instead '85 commercials are what Curry describes as "simple, honest, straightforward," showing cars moving down highways with brief intercuts allowing viewer eye contact with the commercial's drivers.

The Pontiac crest, followed by singers promoting the familiar "We Build Excitement Theme" open and close each commercial.

Curry said Pontiac has been testing the commercials periodically since last November when work on them first began, and the "tests show we're on track."

Overall there are no celebrity spokespeople or other arresting eye-catchers. "We're letting the cars be the stars," she said.

TV includes NFL football sponsorships on CBS and a fairly heavy prime-time weekly series schedule aimed at the baby-boomer target audience.

Asked if baby boomers aren't normally considered the best-educated generation of Americans, given to a fair amount of reading and not overly heavy TV viewing, Curry conceded they are "in the lowest quintile of TV viewers" but that Pontiac's TV was carefully selected to tune into what they do watch.

Spot radio is being used to promote the Haulin' Oates rock concert tour which Pontiac is sponsoring. Pontiac is also looking at MTV for a sponsorship/promotional tie in to the group. ESPN is part of the cable buy.

Golf pro Jack Nicklaus is being used as a celebrity spokesman but only in limited fleet-sale advertising (talking as one businessman to another).

The magazine list has been abbreviated by omitting news weeklies and scaling back monthlies to a list of about 10 or 15 Curry estimated. Generally they are lifestyle-type books such as Skiing, Tennis and Runner's World. Regional (Sunset) and upscale (Metropolitan Home, Money) publications are also part of the Grand Am mix, for example.

"The New Pontiac Grand Am. One step ahead of the competition. Right in sync with your driving needs," says the headline of a double-page spread.

It is heavily geared to the "wants and needs" of the "discriminating individual who can truly appreciate responsive, exciting road machinery."

Ad copy is long on standard features such as special steering, suspension and engine/powertrain components.

"An exciting new driver's coupe from America's Road Car Company," says the headline of a single-page ad for Grand Am. There is no other descriptive copy other than naming the car and citing the theme.

A Grand Prix print ad talks about instrumentation under an "Aren't you glad we use dials? Don't you wish everyone did?" headline. It also touches on suspension and engine responsiveness.

The Pontiac 6000 STE headline dwells heavily on performance improvements with the multi-port injected engine offered in '85, and suspension improvements, as well as key standard features.

The latter ad runs in November issues of buff books.

D'Arcy-MacManus & Masius handles the account. □

Fighting child abuse

Bill Greig, right, Bill Greig Buick, Royal Oak, Mich., congratulates WBC Super Welterweight Champion Thomas Hearns, of Detroit, for his sponsorship of the first annual Thomas Hearns/Metro Automotive Child Abuse Golf Benefit, held in Lake Orion, Mich.

Philadelphia Auto Show: An annual event

Officers of the Automobile Trade Assn. of Greater Philadelphia sign an agreement with Liberty Productions, Inc., to annually produce the Philadelphia Auto Show. Due to the success of its inaugural year, 1984, a decision was made to continue the show as a yearly exposition. Standing, from left, are: J. P. Moore Jr., association treasurer; Daniel H. Polett, auto show chairman, and Bert Parrish, association executive director. Seated are: Robert D. Lilley, left, president and show director, Liberty Productions, and Joseph Reese, association president.

Talent boom

Grads go into sales

ST. LOUIS. — The recession of the early 1980s has resulted in an improved "quality of salespeople, many of them being college graduates," said L. E. Warner, sales manager of Ford Division's Central region.

Because of shakeouts in the computer, oil and energy fields, the personnel supply for dealerships has been "working out marvelously," Warner told Automotive News.

Warner discovered this favorable situation in Dallas, Houston and Kansas City, where he is based. He said that Ford has embarked on "a massive training and hiring program. Professionals are needed in our industry and many of the newcomers are management-type."

Not too many open points exist in his region, said Warner, whose territory spreads from the Canadian border to the Gulf of Mexico encompassing eight states and 1,350 dealers, including district offices here and in Kansas City, Minneapolis-St. Paul, Dallas, Houston and Omaha.

Many of his dealerships now deemphasize duals and are not too anxious to take on other franchises that aren't selling well, he said.

Ford is seeking salespeople because business is booming, Warner said. □

Golden Shovel Award

Ford Motor Co. honored Nari E. Conner, left, secretary-treasurer, and Eric K. Conner, president, Family Ford - Mercury, Boonville, Ind., with the Golden Shovel Award for the dealership's new facilities.

Spending despite quotas

Japanese importers boost ad budgets

By Joseph Bohn
Marketing Editor

Import advertising spending continues to increase, though not at the rate it would if there were no Japanese car quotas in the U. S.

Still, spending among eight importers surveyed by Automotive News jumped to $400.2 million in 1983, up from $376.1 million the previous year.

Magazine spending by the group reached $62.9 million, up from $55.7 million in 1983.

Spot TV still dominated since many of these brands like to pick their markets.

Spot TV reached $107.8 million, up modestly from $114.6 million the previous year.

Network TV also showed a categorical increase, reaching $97.5 million, up from $82.2 million in 1982.

Toyota and Nissan dominate the group with expenditures well in excess of $100 million each. However, the rate of increase for both has slowed down sharply from prior years.

Toyota's outlays were $113.6 million, according to Advertising Age estimates, up just marginally from $111.3 million the previous year.

Nissan, which has been outspending sales volume leader Toyota, had outlays of $122.6 million, up from $117.6 million in 1982, Ad Age estimates.

There were no sharp media shifts among the leaders, except for a big increase in Nissan's network TV to $33.6 million from $23.5 million the previous year.

Toyota magazine was up modestly at $12.4 million compared to $10.9 million in 1982. Nissan magazine jumped to $13.4 million from $12.7 million the previous year.

Spot TV at Toyota of $42.5 million was off from the $44.8 million of 1982; while Nissan escalated its spot TV spending to $37.7 million from $32.7 million in 1982.

Mitsubishi has been coming on strongly since its debut a few years ago. Its expenditures exceeded those of Isuzu last year, and are just behind BMW's and Volvo's.

Look for the Japanese group to become significantly more aggressive in their spending, once quotas get scaled back. □

1983 Direct Media Advertising Expenditures by Major Importers

	Magazine	Network TV	Spot TV	Newspapers	Spot Radio	Network Radio	Outdoor	Unmeasured	Total 1983	Total 1982
Toyota	12,416.4	22,852.5	42,505.9	12,570.7	3,342.8	20.0	2,284.1	17,656.6	113,649.0	111,342.3
Nissan	13,351.9	33,602.9	37,723.6	9,443.6	10,880.6	.....	995.1	16,619.1	122,616.8	117,566.7
Mazda	14,550.5	27,159.7	2,270.7	1,970.6	.....	.....	.....	28,548.5	74,500.0	70,531.4
Subaru	3,291.5	11,593.7	5,148.5	.....	.....	.....	34.0	11,000.0	31,067.7	25,375.4
BMW	6,212.0	1,488.2	3,721.7	17.0	.....	.....	2.9	6,500.0	17,941.8	19,480.3
Volvo	7,450.0	225.3	4,274.5	47.0	.....	.....	3.0	5,500.0	17,499.8	14,265.3
Mitsubishi	3,672.6	.....	9,995.3	.....	.....	.....	.....	2,000.0	15,667.9	7,936.0
Isuzu	1,913.0	589.4	2,176.3	300.0	300.0	.....	13.2	2,000.0	7,291.9	9,600.0
TOTAL	62,857.9	97,511.7	107,816.5	24,348.9	14,523.4	20.0	3,332.3	89,824.2	400,234.9	376,097.4

Toyota, Nissan, Mazda expenditures supplied by Advertising Age. Subaru, BMW, Volvo, Mitsubishi and Isuzu numbers based on Leading National Advertiser raports and Automotive News estimates.

Up 42 pct. to 2,307,582

7-month registrations hit an alltime high

Continued from Page 16

Group 1 count was 625,883.

The increases in this weight group since 1978 reflect the boost in sales of imported compact truck and the entry of a variety of small domestic trucks.

In Group 2, there were 915,242 tallies through July, a gain of 36.7 percent over last year's 669,432. The seven-month record of 1,406,110 was set in 1978.

The Group 3 count soared 168.3 percent to 22,695 units, compared with only 8,460 a year ago. The seven-month total six years ago was 24,430.

Through July, Group 4 trucks totaled 404, an increase of 123.2 percent over last year's 181 units. The 1978 total was 8,021. In Group 5, the Group 5 count was up 305.1 percent to 1,268 units, compared with 313 last year. There were 1,772 tallies in this group at the same time six years ago.

The sharp increase in the popularity of mid-range diesels has caused a vast swing in registrations of Groups 6 and 7 trucks.

• The Group 6 total through July was up 10.4 percent to 25,454 units, compared with 23,049 a year ago. In 1978, however, the count was 78,757, and that was far below the 124,479 units registered in 1973, the year before the first oil crisis had a big impact on the big-truck market.

Group 7 registrations through July totaled 36,386 units, a gain of 32.8 percent over last year's 27,390. In the same period six years ago, the Group 7 count was 20,810.

Seven-month Group 8 tallies were up 69.3 percent to 69,780 units, compared with 41,225 a year ago and 86,899 in 1978. The alltime high for the period was set in 1979, with 98,100 registrations.

New-truck registrations in July totaled 347,025 units, an increase of 34 percent over last year's 258,967. It was the sixth straight month in which the count has topped the 300,000 mark.

Ford increased its lead over Chevrolet by about 4,000 units during the month and was in front at the end of July by more than 30,000 tallies. Both Ford and Chevrolet, however, suffered losses of almost 3 percentage points in their share of total industry registrations.

NEW TRUCK SALES BY MAKE AND GVW CLASS

SEVEN MONTHS, 1984 VS. 1983★

		Group 1 6,000 pounds and less	Group 2 6,001-10,000	Group 3 10,000-14,000	Group 4 14,001-16,000	Group 5 16,001-19,500	Group 6 19,501-26,000	Group 7 26,001-33,000	Group 8 33,001 and over	Make Totals
AUTOCAR	July '84	.....	.....	.....	.....	.....	.....	.....	119	119
	July '83	.....	.....	.....	.....	.....	.....	.....	54	54
	Year to Date '84	.....	.....	.....	.....	.....	.....	.....	700	700
	Year to Date '83	.....	.....	.....	.....	.....	.....	.....	516	516
CHEVROLET	July '84	47,511	42,363	2,503	.....	18	588	906	40	93,929
	July '83	42,756	32,994	2,527	.....	20	505	671	42	79,515
	Year to Date '84	323,208	285,353	21,837	.....	129	3,137	4,793	315	638,772
	Year to Date '83	269,589	212,424	8,232	.....	149	2,701	3,725	274	497,094
(Memo Units) #	July '84	32,817	18,443	.....	.....	.....	.....	.....	.....	51,260
	July '83	28,431	14,377	.....	.....	.....	.....	.....	.....	42,808
	Year to Date '84	221,564	117,022	.....	.....	.....	.....	.....	.....	338,586
	Year to Date '83	183,480	88,245	.....	.....	.....	.....	.....	.....	271,725
DODGE	July '84	24,716	11,886	.....	.....	.....	.....	.....	.....	36,602
	July '83	11,690	9,130	.....	.....	.....	.....	.....	.....	20,820
	Year to Date '84	160,522	80,810	.....	.....	.....	.....	.....	.....	241,332
	Year to Date '83	85,997	58,588	.....	.....	.....	.....	.....	.....	144,585
(Memo Units) #	July '84	18,645	7,714	.....	.....	.....	.....	.....	.....	26,359
	July '83	8,150	7,110	.....	.....	.....	.....	.....	.....	15,260
	Year to Date '84	115,426	50,865	.....	.....	.....	.....	.....	.....	166,291
	Year to Date '83	53,749	42,172	.....	.....	.....	.....	.....	.....	95,921
FORD	July '84	27,805	65,282	.....	.....	.....	1,043	2,482	1,324	97,936
	July '83	32,481	48,505	.....	.....	.....	1,316	1,653	703	84,658
	Year to Date '84	186,218	454,323	.....	.....	.....	7,032	14,483	6,725	668,781
	Year to Date '83	188,865	309,180	.....	.....	.....	5,673	10,507	4,296	518,521
(Memo Units) #	July '84	27,724	20,972	.....	.....	.....	.....	.....	.....	48,696
	July '83	25,781	18,421	.....	.....	.....	.....	.....	.....	44,202
	Year to Date '84	182,536	148,367	.....	.....	.....	.....	.....	.....	331,403
	Year to Date '83	144,833	119,755	.....	.....	.....	.....	.....	.....	264,588
FREIGHTLINER	July '84	.....	.....	.....	.....	.....	.....	.....	1,227	1,227
	July '83	.....	.....	.....	.....	.....	.....	.....	908	908
	Year to Date '84	.....	.....	.....	.....	.....	.....	.....	8,485	8,485
	Year to Date '83	.....	.....	.....	.....	.....	.....	.....	5,864	5,864
GMC	July '84	11,410	11,774	109	.....	153	796	1,206	1,305	26,453
	July '83	9,962	10,179	98	.....	23	447	633	528	21,870
	Year to Date '84	75,488	78,296	739	.....	1,139	3,022	7,385	6,937	173,006
	Year to Date '83	60,884	66,840	228	.....	159	3,016	5,114	3,511	139,752
(Memo Units) #	July '84	7,215	4,483	.....	.....	.....	.....	.....	.....	11,698
	July '83	6,231	4,657	.....	.....	.....	.....	.....	.....	10,888
	Year to Date '84	46,631	28,650	.....	.....	.....	.....	.....	.....	75,281
	Year to Date '83	37,327	27,580	.....	.....	.....	.....	.....	.....	64,907
INTERNATIONAL	July '84	.....	.....	.....	.....	.....	1,872	1,244	2,627	5,743
	July '83	.....	.....	.....	.....	.....	1,800	1,024	1,598	4,422
	Year to Date '84	.....	.....	.....	.....	.....	9,564	8,153	15,950	33,667
	Year to Date '83	.....	.....	.....	.....	.....	9,489	6,332	10,493	26,314
JEEP	July '84	10,482	1,427	.....	.....	.....	.....	.....	.....	11,909
	July '83	3,172	2,036	.....	.....	.....	.....	.....	.....	5,208
	Year to Date '84	68,468	11,953	.....	.....	.....	.....	.....	.....	80,421
	Year to Date '83	23,014	15,424	.....	.....	.....	.....	.....	.....	38,438
(Memo Units) #	July '84	10,482	1,214	.....	.....	.....	.....	.....	.....	11,696
	July '83	3,172	1,778	.....	.....	.....	.....	.....	.....	4,950
	Year to Date '84	68,468	9,882	.....	.....	.....	.....	.....	.....	78,350
	Year to Date '83	23,014	12,910	.....	.....	.....	.....	.....	.....	35,924
KENWORTH	July '84	.....	.....	.....	.....	.....	.....	.....	1,035	1,035
	July '83	.....	.....	.....	.....	.....	.....	.....	592	592
	Year to Date '84	.....	.....	.....	.....	.....	.....	.....	7,568	7,568
	Year to Date '83	.....	.....	.....	.....	.....	.....	.....	3,662	3,662
MACK	July '84	.....	.....	.....	.....	.....	345	67	1,947	2,360
	July '83	.....	.....	.....	.....	.....	180	75	990	1,245
	Year to Date '84	.....	.....	.....	.....	.....	1,927	328	10,973	13,228
	Year to Date '83	.....	.....	.....	.....	.....	1,172	572	6,638	8,382
MERCEDES-BENZ	July '84	.....	.....	.....	.....	.....	130	130	.....	260
	July '83	.....	.....	.....	.....	.....	145	92	.....	237
	Year to Date '84	.....	.....	.....	.....	.....	735	442	.....	1,177
	Year to Date '83	.....	.....	.....	.....	.....	998	517	.....	1,515
PETERBILT	July '84	.....	.....	.....	.....	.....	.....	.....	1,136	1,136
	July '83	.....	.....	.....	.....	.....	.....	.....	528	528
	Year to Date '84	.....	.....	.....	.....	.....	.....	.....	7,011	7,011
	Year to Date '83	.....	.....	.....	.....	.....	.....	.....	3,723	3,723
PLYMOUTH	July '84	7,300	5	.....	.....	.....	.....	.....	.....	7,305
	July '83	361	401	.....	.....	.....	.....	.....	.....	762
	Year to Date '84	46,595	101	.....	.....	.....	.....	.....	.....	46,696
	Year to Date '83	2,956	2,574	.....	.....	.....	.....	.....	.....	5,530
VOLVO	July '84	.....	.....	.....	.....	.....	.....	131	58	189
	July '83	.....	.....	.....	.....	.....	.....	78	38	116
	Year to Date '84	.....	.....	.....	.....	.....	.....	732	338	1,070
	Year to Date '83	.....	.....	.....	.....	.....	.....	481	344	825
WESTERN STAR	July '84	.....	.....	.....	.....	.....	.....	.....	52	52
	July '83	.....	.....	.....	.....	.....	.....	.....	25	25
	Year to Date '84	.....	.....	.....	.....	.....	.....	.....	308	308
	Year to Date '83	.....	.....	.....	.....	.....	.....	.....	170	170
WHITE	July '84	.....	.....	.....	.....	.....	.....	.....	465	465
	July '83	.....	.....	.....	.....	.....	.....	.....	170	170
	Year to Date '84	.....	.....	.....	.....	.....	.....	.....	3,865	3,865
	Year to Date '83	.....	.....	.....	.....	.....	.....	.....	1,234	1,234
MISCELLANEOUS*	July '84	59,308	791	24	75	.....	8	24	75	60,305
	July '83	36,921	770	.....	32	.....	.....	15	99	37,837
	Year to Date '84	375,854	4,406	119	404	.....	37	70	605	381,495
	Year to Date '83	222,653	4,402	.....	181	5	.....	142	500	227,883
TOTALS	July '84	188,532	133,528	2,636	75	171	4,483	6,190	11,410	347,025
	July '83	137,343	104,015	2,625	32	43	4,393	4,241	6,275	258,967
	Year to Date '84	1,236,353	915,242	22,695	404	1,268	25,454	36,386	69,780	2,307,582
	Year to Date '83	853,958	669,432	8,460	181	313	23,049	27,390	41,225	1,624,008

★—New York and Oklahoma for 1984 are compiled from manufacturers' sales records; no Louisiana registrations, July, 1984; no Oklahoma registrations, 1983.
#—Memo units are trucks which are part of the total listed above each entry. Chevrolet memo units are Chevy-Van, El Camino and Blazer; Dodge, compact trucks; Ford, Econoline and Bronco; GMC, Vandura and Jimmy. *—Miscellaneous includes imports, Divco, Hendrickson, Oshkosh, etc.

—Compiled from R. L. Polk & Co. data

Index of highway roughness proposed as world standard

ANN ARBOR, Mich. — University of Michigan researchers have developed a standard index of road roughness and propose that it be adopted worldwide to aid highway engineers in designing and managing road systems.

A standard index offers an international language to discuss road problems, experiments and advancements, and a base of information for managing and funding of road systems, said Thomas Gillespie, research scientist with the U-M Transportation Research Institute.

Gillespie and fellow researcher Michael Sayers wrote a manual for the World Bank describing how the standard index could be measured and applied in different countries. The World Bank lends money to less-developed countries for road construction.

The index itself is based on an 18-point scale. Very smooth roads and airport runways fall into the lowest ranges; roads without potholes or corrugations fall into the 2-3 range.

As roads deteriorate, developing occasional potholes and depressions, the values increase to 5. As roughness gets much above this level, drivers begin to decrease their normal travel speed. Very rough and deeply rutted roads, often found in developing countries, reach the top of the scale.

"Accuracy, simplicity, workability, practicality—those were the virtues we sought in developing the index," said Gillespie.

"Road-builders in Kenya or India must be able to use the index, just as in developed countries, and without having to send their raw data to Washington or Paris or Ann Arbor for computer processing."

He said rough roads increase transportation costs through increased fuel consumption, wear and tear on tires and suspensions, cargo damage and accidents. Researchers have reported losses in fuel consumption of up to 30 percent on rough roads, he said.

He also said road-roughness studies could help auto manufacturers develop better durability test tracks to imitate certain road surfaces.

Gillespie said many roads in the northern U.S., with its harsh winters, fall in the 3-5 range on the value scale—pavement is in the early stages of deterioration, marred by some patches or potholes. Roads in the South are smoother.

"Road roughness receives a high priority from highway officials throughout the U.S.," he said, "because road surface is one of the qualities by which the public judges the job being done by the highway departments, so they are sensitive to that issue."

The U.S. spends about $12 billion annually for highway maintenance, according to the U.S. Department of Transportation. Each state, though, has its own roughness code.

"Progress is impeded whenever we all have different sets of units," Gillespie said.

Braman buys deal in Denver area

DENVER. — Norman Braman, who holds 21 automobile franchises in the Miami area, has purchased Bob Hagestad Porsche-Audi in suburban Lakewood. The business will be called Prestige Porsche-Audi.

Braman said the 74 employes of the Porsche-Audi dealership will be retained, with John Hitt continuing as general manager.

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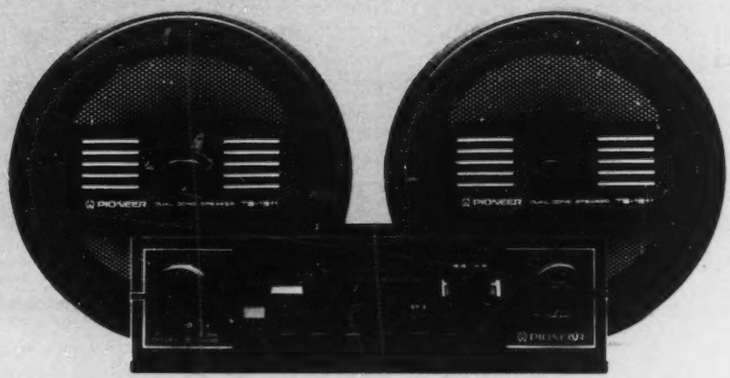

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IMPORT SALES BY MODEL

	August, 1984	August, 1983	8 Mos., 1984	8 Mos., 1983
Alfa Romeo	547	237	2,603	2,244
Audi	4,357	4,517	48,193	31,956
4000	572	1,176	9,302	8,022
4000d	.....	44	.....	878
4000S	414	.....	1,612	.....
4000S Quattro	356	.....	2,866	.....
5000S	2,357	2,335	27,870	12,970
5000S turbo gas	346	172	3,888	2,700
5000d/td	.....	351	.....	4,081
Quattro	5	3	49	229
Coupe	307	320	2,606	2,307
Tourist	.....	116	.....	769
BMW	4,283	5,951	46,294	37,733
318/320	1,508	3,561	21,576	21,552
325	1,049	.....	7,995	.....
528/533	1,013	1,644	9,735	10,794
633CSI	153	245	1,852	1,718
733	560	501	5,136	3,669
Chevrolet Sprint	1,583	.....	6,097	.....
Chrysler/Mitsubishi	8,084	9,908	54,910	68,549
Colt (Dodge/Plymouth)	6,163	7,595	40,712	47,833
Conquest/Sapporo/Challenger	470	2,310	5,214	20,713
Vista (Dodge/Plymouth)	1,415	3	8,984	3
Fiat	.....	338	.....	4,832
Honda	28,019	25,786	254,147	238,275
Civic	11,131	10,892	89,849	95,308
Civic CRX	3,706	.....	27,371	.....
Accord	8,040	9,990	89,914	120,399
Prelude	5,142	4,904	47,013	22,568
I.A.I.	116	.....	1,266	.....
Bertone	46	.....	425	.....
Pininfarina	70	.....	841	.....
Isuzu	1,842	1,826	11,334	13,706
I-Mark	701	643	2,915	9,357
Impulse	1,141	1,183	8,419	4,349
Jaguar	1,300	1,176	11,503	9,966
XJ6	997	994	9,385	8,285
XJS	303	182	2,118	1,681
Lancia	.....	29	21	540
Maserati Biturbo	175	.....	.....	.....
Mazda	15,024	15,071	113,323	118,525
GLC	4,022	4,620	30,150	36,338
626	6,606	5,737	47,332	45,734
RX-7	4,396	4,714	35,841	36,453
Mercedes-Benz	5,998	6,289	48,867	48,129
190D	358	.....	3,963	.....
190E	1,612	.....	9,261	.....
240D	.....	997	21	9,036
300D	1,223	1,676	10,558	12,595
300CD	91	202	1,039	1,321
300TD	165	231	1,583	1,832
300SD	940	1,815	9,445	12,483
380SE	432	.....	3,843	.....
500SEL	317	455	2,423	3,423
380SL/SLC	763	752	5,663	6,209
500SEC	97	161	1,074	1,230
Mitsubishi	2,755	3,271	24,927	20,305
Starion	344	590	4,463	4,053
Cordia	1,115	1,274	10,375	7,824
Tredia	1,296	1,407	10,089	8,428
Nissan	46,832	47,451	333,262	371,251
Sentra/210	19,555	19,356	134,254	149,818
Pulsar/310	3,394	5,540	25,036	44,682
Stanza	4,750	6,837	30,407	46,818
Maxima	4,497	5,597	43,293	49,023
200SX	7,109	2,741	43,878	25,410
300ZX/280ZX	7,171	6,989	51,916	51,909
Hawaii	356	391	4,476	3,591
Peugeot	1,647	1,144	12,892	9,865
Porsche	1,439	1,883	14,556	15,239
944	981	1,327	9,111	9,215
911SC	291	394	3,240	3,942
928	167	162	1,612	1,794
Renault	1,301	3,452	8,901	19,500
LeCar	.....	699	.....	10,548
18i	422	1,364	2,201	3,949
Fuego	879	1,389	6,700	9,106
Subaru	11,968	14,747	105,615	107,523
Toyota	57,556	50,321	378,976	382,629
Starlet	1	396	259	5,585
Corolla	16,878	11,735	108,678	98,059
Tercel	10,951	13,416	67,988	107,936
Celica	9,133	13,141	60,796	86,077
Supra	3,206	1,452	20,268	18,756
Camry	8,599	5,514	62,359	31,980
Cressida	3,886	3,767	23,508	27,290
Land Cruiser	579	408	2,380	3,250
VanWagon	2,818	.....	23,849	.....
4Runner SR5	981	.....	3,512	.....
Hawaii	524	492	5,378	3,696
Volkswagen	6,910	6,864	74,355	51,180
Rabbit Convertible	740	909	8,824	7,115
Jetta	2,137	1,529	27,626	13,393
Vanagon	1,046	1,182	13,515	9,906
Quantum	1,544	1,885	11,803	11,557
Scirocco	1,443	1,359	12,587	9,209
Volvo	7,543	7,225	74,699	63,788
DL	2,887	3,579	34,151	31,930
GL	1,950	1,118	20,234	11,215
GLT Turbo	794	1,304	7,167	9,478
GLE	.....	5	.....	209
DL/GL	528	309	3,229	3,521
Coupe	.....	.....	.....	12
760 V-6	270	692	3,125	4,941
760 TurboDiesel	335	191	2,332	1,525
760 GT	717	.....	3,268	.....
Tourist	62	9	1,193	967
TOTAL IMPORTS	211,730	209,125	1,649,394	1,667,923

Ableson named manager of Pontiac G-car plant

PONTIAC.—Donald W. Ableson has been named manager of Pontiac's G-car assembly plant.

Ableson came to Pontiac three years ago to coordinate construction of the Fiero plant and implementation of the Fiero program.

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American Motors

Sept. 25—Aptco Auto Auction, Taylor, Mich., and High Point Auto Auction, High Point, N. C.

Sept. 26—Southern Auto Auction, East Windsor, Conn.; Metro Milwaukee Auto Auction, Caledonia, Wis.; Columbus Fair Auto Auction, Obetz, O.; Kansas City Auto Auction, Kansas City, Mo., and Central States Auto Auction, Mason City, Ia.

Sept. 27—Corry Auto Auction, Corry, Pa., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

Sept. 28—Concord Auto Auction, Acton, Mass., and Floyd Hauhe Auto Auction, Bridgeton, Mo.

Ford Motor Co.

Sept. 26—Brasher's Southern California Auto Auction, Fontana, Calif.

Sept. 27—Aptco Auto Auction, Taylor, Mich., and Nashville Auto Auction, Nashville, Tenn.

General Motors

Sept. 25—Florida Auto Auction of Orlando, Ocoee, Fla.

Sept. 27—Aptco Auto Auction, Taylor, Mich.; Floyd Hauhe Auto Auction, Bridgeton, Mo., and Denver Auto Auction, Englewood, Colo.

Chrysler Corp.

Sept. 25—Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; NuCarPrep System, Santa Fe Springs, Calif., and Florida Auto Auction of Orlando, Ocoee, Fla.

Sept. 26—Minneapolis Auto Auction, Plymouth, Minn., and Butler Auto Auction, Gibsonia, Pa.

Sept. 27—Indianapolis Auto Auction, Indianapolis, Ind., and Golden Gate Auto Auction, Fremont, Calif.

Sept. 28—Concord Auto Auction, Acton, Mass.

Used Car Sales
Auction Averages

September to date	$4,202
Month ago	$5,316
Year ago	$5,197

Model breakdown
Auction Averages

	SEPTEMBER TO DATE	AUGUST 1984	JULY 1984
1984	$9,851	$9,848	$11,772
1983	7,248	7,926	7,793
1982	5,654	5,978	6,759
1981	4,946	5,230	5,681
1980	3,849	4,494	4,222
1979	3,193	3,632	4,100
1978	2,291	2,551	2,644
1977	2,028	1,997	2,114
Overall Average	$4,802	$5,316	$ 5,560

NHTSA crashes of Tercel, Prelude have good results

WASHINGTON. — Results from the last six 1984 models crashed by NHTSA for comparative occupant protection purposes found the Honda Prelude and the Toyota Tercel showing spectacularly good head and chest results. But two other Japanese cars—the Isuzu Impulse and the Mitsubishi Tredia—produced disappointing readings.

A Head Injury Criteria (HIC) of 1000 is acceptable in the 35-MPH barrier crash (one-third greater force than testing for compliance with the occupant protection standard).

NHTSA reported that the Honda Prelude coupe, weighing 2,780 pounds, achieved a HIC of 659 for the driver dummy and a HIC of 475 for the passenger dummy.

Using 60 Gs as acceptable chest deceleration, NHTSA reported the Prelude's results as 43 for driver and 31 for passenger. The forces on the femurs also clocked in very low.

The '84 Toyota Tercel four-door hatchback also did very well. Its HIC numbers were 658 and 492 for driver and passenger, respectively. The chest decelerations were 43 and 41 Gs for driver and passenger.

The Isuzu Impulse coupe had low chest Gs—46 and 49 for driver and passenger, respectively—but the HIC numbers were uncomfortably high—1769 for driver and 2454 for passenger.

The Mitsubishi Tredia exceeded acceptable levels on three of the four dummy readings: HICs of 1314 for driver and 1521 for passenger; 87 for driver chest Gs and 57 for passenger chest Gs.

The '84 Renault Alliance four-door sedan has a driver dummy HIC of 940 and data failure for the passenger side. Chest Gs were 55 and 42 for driver and passenger respectively.

The '84 Ford Mustang convertible produced these numbers: 894 HIC for driver and 1112 for passenger; 55 Gs for driver chest and 38 Gs for passenger chest.

NHTSA also reported on one crash conducted on a 1985 model—the Buick Park Avenue four-door. The data was consistently worse for the driver than for the passenger. NHTSA reported HIC of 1550 and 662 for driver and passenger, respectively and 50 Gs and 37 Gs for driver and passenger chest deceleration, respectively.

All vehicles were also tested to criteria of Standard 212 (windshield retention) and Standard 301 (fuel tank integrity). Despite the higher crash speed, all vehicles passed except the Ford convertible, on which the windshield loosened.

Honda dealer group names Krause president

LOS ANGELES.—The Honda Automobile Dealers Assn. of Southern California has elected Bill Krause, Bill Krause Honda, Los Angeles, president.

Treasurer is Steve May, Majestic Pontiac-Honda, Los Angeles. Other board members are: Bob Auth, Kaiser Brothers, Los Angeles; Lathrop Hoffman, Sierra Autocars, Monrovia; Guy Martin, Guy Martin Honda, Woodland Hills; Bob Quaid, Quaid Imports, Riverside, and Harry Sacks, Midway Honda-GMC, Fontana.

133,242 cars scheduled for week, but total is 'iffy'

Strike muddles production picture

By Louise Kertesz
Detroit Reporter

Estimates of U.S. auto production last week were shaky because of the General Motors strike.

Targeted production at GM was based on the assumption that a quick settlement could be reached.

When a tentative agreement was reached early Friday, GM set about getting its plants back to work. At presstime, only the Fiero plant in Pontiac was scheduled to work last Friday (Sept. 21). It was called back for the second shift and was also slated to work Saturday (Sept. 22).

Auto makers slated assembly of 133,242 cars last week, a decrease of 13.14 percent from the previous week's three-month high of 153,406. Last week's production was also 13.04 percent lower than the year-ago week's 153,234.

So far this year, 5,748,573 cars have been built, 20.77 percent more than the 4,759,830 assembled last year at this time.

Last week's expected production by company was as follows: GM, 48.30 percent; Ford Motor Co., 27.40 percent; Chrysler Corp., 18.24 percent; American Motors, 3.60 percent; Honda, 2.10 percent, and Volkswagen of America, 0.36 percent.

Saturday overtime was scheduled at Ford's Edison (N.J.), Kansas City and St. Louis facilities.

GM announced last week that its Tarrytown (N.Y.) plant will be down until Dec. 11 for conversion to A-car production. It had been building Citation X-cars.

Chrysler's Jefferson (Detroit) plant also worked two eight-hour overtime shifts Saturday.

A walkout by trim department workers at American Motors' Kenosha (Wis.) plant last Tuesday resulted in a production shortfall of about 200 vehicles.

The company's revised estimate for last week was 4,600 units.

AMC buys Canadian site for new assembly plant

By Richard Johnson
Detroit Reporter

American Motors has agreed to purchase roughly 250 acres in Brampton, Ont., as the site of an assembly plant that will turn out a new AMC/Renault mid-size car for the North American market in 1987.

The land, which is located about five miles from the company's existing Brampton assembly plant, was acquired by AMC from Bramalea, Ltd., of Toronto. AMC also purchased an option on another 100 acres.

AMC had earlier sought to buy a nearly 300-acre parcel owned by Bramalea, but ran into local opposition because 100 acres would have needed rezoning from agricultural to industrial use.

AMC accepted the developer's offer of an alternative parcel designated entirely for industrial development.

The new site has also drawn criticism from residents living west of the proposed factory grounds. However, an AMC spokesman said the company has successfully dealt with the opposition and said the project is "pretty well on track." A local public hearing on the proposal was slated for late last week.

Development of the site is due to begin Oct. 1 and the structure is scheduled to be completed by mid-1986. In June, AMC announced a total investment of $764 million (Canadian) in the new facility.

Company officials last week declined to state the purchase price of the land.

The Canadian federal and Ontario provincial governments will invest up to $121 million (Canadian) in the Brampton facility on a 50-50 basis, and will be reimbursed through royalties on each new car sold.

The remainder of the investment comes from AMC; from Renault, which owns about 46 percent of American Motors, and Canadian bank loans.

The facility is expected to employ 1,800 new workers and some 1,200 from the existing Brampton plant, where AMC now builds the Eagle. An estimated 4,200 jobs will be generated at supplier parts facilities.

AMC/Renault plans to build 150,000 cars a year when the new Brampton plant opens in the summer of 1987. The Eagle plant produces about 30,000 units a year.

AMC Chairman Paul Tippett has said the company will not build the Renault R-25 intermediate at the Brampton plant because of the time needed to convert the hatchback for the U.S. market.

He recently said that a new mid-size, front-wheel drive sedan designed by Renault with AMC input is currently in the works for the new assembly plant.

Truck production drops 8 pct. to 61,069 for week

The General Motors strike slowed the strong pace of domestic truck production, though it continues well above last year's.

Makers expected to complete 61,069 trucks last week, down 8.28 percent from the previous week's 66,582, but 15.42 percent higher than the year-ago week's 52,908.

Working Saturday were Ford Motor Co.'s Lorain (O.) plant and American Motors' Cherokee and Wagoneer lines in Toledo.

Car output jumps 24 pct. in Canada; GM, Ford gain

Canadian car production last week was up 24.75 percent over the previous week.

Return to normal work schedules after model changeover at General Motors and resumption of production at Ford Motor Co.'s Oakville (Ont.) facility contributed to the increase. The Oakville plant was down due to a shortage of engines.

Makers targeted completion of 19,953 cars last week, compared with the previous week's 15,995. Production was 9.94 percent better than the year-ago week's 18,149.

Year-to-date, 775,893 cars have been built, up 11.8 percent over 695,933 last year.

Last week's slated assembly of 18,104 trucks was 2.78 percent above the previous week's 17,615 and 45.27 percent higher than the year-ago week's 12,462.

This year, 588,062 trucks have been built, a 54.93 percent increase over the 379,575 completed at this time last year.

Chrysler Corp. built 2,358 Plymouth Voyagers, 2,346 Dodge Caravans and 936 Mini Ram Vans at its Windsor (Ont.) facility last week. The total of T-115s assembled this year is now 164,046.

CANADIAN CAR PRODUCTION

	Week Ended Sept. 22, 1984	Week Ended Sept. 24 1983	Week Ended Sept. 15 1984	Sept. to Date	Jan. 1 to Sept. 24 1983	Jan. 1 to Sept. 22, 1984
AMERICAN MOTORS	600	600	610	1,698	20,666	16,363
CHRYSLER CORP.	.....	.....	.....	.....	103,857	.....
FORD MOTOR	6,720	6,028	5,233	19,214	188,029	312,099
GENERAL MOTORS	12,408	11,296	9,927	30,090	376,146	439,870
VOLVO	225	225	225	629	7,235	7,561
Total Cars, Canada	19,953	18,149	15,995	51,631	695,933	775,893

TRUCK PRODUCTION IN U.S.†

	Week Ended Sept. 22, 1984	Week Ended Sept. 24, 1983	Week Ended Sept. 15 1984	Sept. to Date	Jan. 1 to Sept. 24, 1983	Jan. 1 to Sept. 22, 1984
CHEVROLET	18,175	16,834	20,025	54,633	576,895	731,572
DODGE	4,200	2,687	5,066	13,581	99,993	150,093
FORD	25,606	21,913	25,932	72,386	649,141	858,361
GMC	4,422	5,915	7,070	17,172	185,616	236,206
INTERNATIONAL	1,566	1,174	1,478	4,309	36,310	55,270
VOLKSWAGEN	.....	.....	.....	.....	2,079	.....
JEEP	4,050	2,666	3,932	10,699	62,838	136,730
NISSAN	2,000	669	2,029	5,543	3,574	69,202
AM GENERAL	50*	50*	50*	140	1,820	1,910
MISCELLANEOUS	1,000*	1,000*	1,000*	2,800	36,400	38,000
Total Trucks, U.S.	61,069	52,908	66,582	181,243	1,654,666	2,277,344

CANADIAN TRUCK PRODUCTION

	Week Ended Sept. 22, 1984	Week Ended Sept. 24, 1983	Week Ended Sept. 15 1984	Sept. to Date	Jan. 1 to Sept. 24, 1983	Jan. 1 to Sept. 22, 1984
CHRYSLER CORP.	8,292	2,767	8,150	23,136	91,801	260,391
FORD MOTOR	3,344	3,556	3,262	9,021	98,895	110,881
GENERAL MOTORS	6,248	6,010	5,986	17,459	184,870	210,846
INTERNATIONAL	220	129	217	611	4,009	5,944
Total Trucks, Canada	18,104	12,462	17,615	50,227	379,575	588,062
N. American Trucks	79,173	65,370	84,197	231,470	2,034,241	2,865,406

†—New includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.

U.S. CAR PRODUCTION

	Week Ended Sept. 22, 1984	Week Ended Sept. 24 1983	Week Ended Sept. 15 1984	Sept. to Date	Jan. 1 to Sept. 24 1983	Jan. 1 to Sept. 22, 1984
AMERICAN MOTORS	4,800	5,030	4,771	13,478	133,613	145,187
AMC Total	.....	.....	.....	.....	4,071	.....
Eagle	.....	.....	.....	.....	4,071	.....
Renault Total	4,800	5,030	4,771	13,478	129,542	145,187
Alliance	3,200	3,429	3,000	8,744	115,091	81,396
Encore	1,600	1,601	1,771	4,734	14,451	63,791
CHRYSLER CORP.	24,300	19,692	25,279	61,266	621,574	889,908
Plymouth Total	8,200	6,701	8,493	14,842	222,662	266,851
Horizon	3,300	2,890	3,792	6,453	83,239	115,904
Reliant	3,600	3,679	3,416	6,065	135,788	125,399
Caravelle	1,000	104	876	1,667	3,578	10,059
Gran Fury	300	28	409	657	57	15,489
Chrysler Total	7,100	5,360	7,615	20,842	149,151	293,664
LeBaron	1,800	1,758	1,870	5,067	62,838	85,668
Laser	1,200	806	1,225	3,311	5,301	51,631
New Yorker/E-Class	1,500	2,285	1,426	4,145	80,532	70,291
Fifth Avenue	2,600	511	3,094	8,319	480	86,074
Dodge Total	9,000	7,631	9,171	25,582	249,761	329,393
Omni	2,800	2,770	3,490	9,301	91,656	108,936
Aries	3,100	2,679	2,707	7,800	101,227	99,757
Daytona	1,000	797	943	2,705	3,934	38,535
Dodge 400	.....	.....	.....	.....	18,478	.....
Dodge 600	1,500	1,308	1,244	3,714	34,403	55,124
Diplomat	600	77	787	2,062	63	27,041
FORD MOTOR	36,508	36,359	37,344	102,350	1,084,965	1,277,430
Ford Division	24,437	24,098	24,920	69,430	693,662	828,609
Escort	7,007	8,267	7,471	20,246	194,406	252,490
Fairmont	.....	.....	.....	.....	23,728	.....
Mustang	2,919	2,119	2,158	6,916	81,272	99,339
LTD	5,457	4,151	5,846	16,049	123,503	162,354
Thunderbird	2,105	3,047	2,890	7,635	139,141	108,157
Crown Victoria	2,008	2,379	2,002	5,390	67,975	60,310
EXP	1,105	.....	1,301	3,283	1,184	28,604
Tempo	3,836	4,135	3,252	9,911	62,453	117,355
L-M Division	12,071	12,261	12,424	32,740	391,303	448,821
Mercury Total	9,183	9,596	9,557	26,094	309,710	327,964
Lynx	1,596	2,067	1,664	4,583	55,298	50,803
Capri	281	692	244	688	17,320	11,869
Zephyr	.....	.....	.....	.....	8,601	.....
Marquis	2,352	1,503	2,187	6,165	52,697	84,605
Cougar	1,751	2,402	2,593	11,119	89,610	81,984
Grand Marquis	2,192	1,871	2,181	5,867	68,729	68,046
LN7	.....	.....	.....	.....	290	.....
Topaz	1,011	1,061	688	2,226	17,105	30,657
Lincoln Total	2,888	2,665	2,867	6,826	81,593	120,857
Continental	530	.....	522	1,249	8,793	27,386
Lincoln	2,048	2,665	2,031	4,837	52,609	73,078
Mark VI/VII	310	.....	314	740	28,191	20,393
GENERAL MOTORS	64,354	88,865	83,204	208,379	2,820,170	3,281,466
Buick Division	18,314	20,242	18,189	52,319	640,072	723,225
Skylark	3,280	4,044	2,651	8,282	76,741	78,579
Skyhawk	1,980	1,266	1,955	5,449	52,174	104,805
Somerset Regal	1,500	.....	1,119	1,916	.....	4,917
Century	4,815	4,325	3,795	12,283	117,769	164,289
Regal	2,061	4,569	2,432	6,610	179,748	140,759
LeSabre/Electra (rwd)	3,094	4,872	3,605	9,828	177,574	153,004
Riviera	624	1,166	903	2,401	36,066	37,259
Electra (fwd)	960	.....	1,729	4,300	.....	39,613
Cadillac Division	.....	6,193	7,188	12,730	219,864	236,842
Cimarron	.....	493	436	718	14,695	12,581
Seville	.....	724	585	1,149	25,162	27,623
Eldorado	.....	1,359	1,305	2,561	54,461	55,202
Cadillac	.....	3,617	1,430	2,204	125,596	90,219
DeVille (fwd)	.....	.....	3,432	6,098	.....	51,217
Chevrolet Division	28,104	29,397	28,447	79,377	918,638	1,136,417
Chevette	2,868	4,770	3,412	8,657	138,212	136,957
Cavalier	5,092	6,474	9,366	25,874	215,541	308,855
Celebrity	5,007	3,067	4,562	13,496	97,147	212,947
Camaro	2,562	4,519	2,876	7,758	138,675	185,025
Citation	3,046	1,866	2,202	7,818	73,207	84,999
Malibu/El Camino	488	591	374	1,272	100,885	18,202
Monte Carlo	1,370	3,299	1,319	3,220	75,769	79,018
Chevrolet	3,191	4,122	3,840	9,907	60,608	85,597
Corvette	480	689	496	1,375	18,594	24,817
Oldsmobile Division	5,502	22,105	17,979	33,593	744,493	788,351
Omega	.....	1,083	.....	.....	43,048	29,289
Firenza	1,505	893	1,439	4,123	34,399	52,641
Cutlass Supreme	.....	6,577	4,826	7,437	219,429	192,424
Cutlass Ciera	.....	5,607	2,810	3,542	153,053	188,389
88/98 (rwd)	2,400	7,076	4,490	8,055	264,396	238,741
Olds 98 (fwd)	.....	.....	2,583	4,914	.....	49,043
Calais	1,597	.....	1,141	4,161	.....	5,679
Toronado	.....	869	690	1,361	30,168	32,145
Pontiac Division	12,434	10,928	11,401	30,360	297,103	396,631
Acadian†	.....	39	46	170	15,762	11,435
2000 Sunbird	2,786	2,980	3,069	8,155	76,480	107,987
1000	544	693	836	1,929	33,588	29,765
Firebird	1,479	2,727	1,527	4,253	68,535	86,122
Phoenix	.....	464	.....	.....	19,611	14,116
Grand Prix/Bonneville	.....	1,894	.....	.....	73,370	29,733
Parisienne	3,582	867	2,313	5,895	4,978	24,674
Fiero	2,640	1,264	2,567	7,135	4,779	89,550
Grand Am	1,403	.....	1,043	2,823	.....	3,249
HONDA	2,800	1,031	2,539	7,631	32,707	97,870
VOLKSWAGEN	480	2,257	269	876	66,801	56,712
Total Cars, U.S.	133,242	153,234	153,406	393,980	4,759,830	5,748,573
Total Cars, Canada	19,953	18,149	15,995	51,631	695,933	775,893
N. American Cars	153,195	171,383	169,401	445,611	5,455,763	6,524,466
N. American Trucks	79,173	65,370	84,197	231,470	2,034,241	2,865,406
North American Cars and Trucks	232,368	236,753	253,598	677,081	7,490,004	9,389,872

†—All Acadians are built for sale in Canada. *—Estimated.

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Automotive News

October 1, 1984

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Chrysler tags $9.5 billion for series of new models

By Dan McCosh
Detroit Reporter

Chrysler Corp.'s plan to increase capital spending to $9.5 billion over the next five years, a $1.5-billion increase over its plans just a year ago, includes an accelerated new-car program that means introducing a new car every six months.

The ambitious program means replacing all its domestically built cars between 1984 and 1988 model years, plus filling out its product line to span the subcompact to full-size range.

Chrysler's domestically built new-car plans, compiled from various sources, include:

1. 1986½—Introduction of the P-car, replacing the current L-body Omni/Horizon.

Described as "upscale" (higher-priced) from the car it replaces, it is designed to integrate the basic K-body floorpan and use compatible components, hence reduce production costs compared with the unique L-body with its imported engine.

2. 1987—Introduction of the J-body series.

Described as a "Cordoba-like" two-door specialty intermediate, the J-body is a sleek, aerostyled car based on the 1985 H-body platform. It will be launched as a convertible and a coupe. This is a departure from the recent industry practice of modifying an existing line for a convertible.

3. 1987½—Introduction of the C-body. Chrysler's answer to Ford's Taurus program due in 1986, the C-body will be a four-door sedan taking over the current rear-drive M-body slot, thus becoming Chrysler's largest sedan.

4. 1988—Introduction of a new K-body. Chrysler's bread-and-butter compact, reskinned in the 1985 model year, gets a major rework.

• In addition to Chrysler's domestic plans, it anticipates additional niches to be filled with various overseas projects.

A recent tieup with Maserati is expected to result in two high-priced specialty cars, with a two-seat, mid-engine Chrysler-powered car anticipated in about the 1987 model year.

Mitsubishi's Japanese affiliate, Mitsubishi Motors Corp., is still waffling on plans for a U. S.-built small car, but Chrysler still anticipates a new small car from that source to be priced lower than the P-body.

Chrysler also is negotiating with Korea's Samsung Group, which could supply it with its lowest-priced small car, sometime after 1987.

Chrysler's car/truck hybrid minivan is expected to add a "stretched" derivative when it goes into produtcion at a second plant in 1986.

Another major truck program is the new N-body minitruck due in 1986, which will be followed by a rework of Chrysler's "standard" pickups and van bodies, and likely a 4WD utility vehicle to compete with Ford, Chevrolet and AMC products.

The product plans demonstrate Chrysler's effort to reduce cannibalization of its own product lines to a minimum.

The M-body won't be offered in either a two-door version or

Continued on Page 50, Col. 4

UAW urges members to approve GM pact

By Marjorie Sorge
Labor Editor

ST. LOUIS. — The UAW's 300-member GM Council last week overwhelmingly recommended that the union's new three-year tentative agreement with General Motors be sent to the membership for ratification.

UAW President Owen Bieber, who called the pact an historic, good and excellent agreement, said the ratification process would be over by Oct. 14. He said he is confident the agreement will be ratified.

"It's the first contract of its kind that talks not only current protection but protection for the future as well," Bieber said.

While the ratification process continues at GM, the union will return to Ford soon and pick up talks which were put on the back burner when GM was picked as the target company about three weeks ago. Bieber said he expects Ford to follow the pattern with a little tailoring.

Following completion of the Ford and GM negotiations, Bieber said he expects to approach Chrysler about reopening its pact which expires Oct. 15, 1985.

Contract highlights and analysis on Page 3.

Chrysler Chairman Lee Iacocca, while not totally closing the door to talking with the union, indicated he does not approve of the idea.

The GM Council met with the union's GM leaders here last week for about 6½ hours of explanation before recommending the contract. One of the most challenging portions to explain

Continued on Page 50, Col. 1

Chrysler Corp.'s newest

Chrysler LeBaron GTS to debut

A five-passenger car on a 103-inch wheelbase, the new Chrysler LeBaron GTS is available with fuel-injected 2.2-liter 4-cylinder engine or turbocharged option. Story, other pictures on Page 32.

New Dodge touring sedan for '85

Dodge's version of the Chrysler Corp. H-body is the Lancer, a sporty four-door hatchback with luxury features. It will go on sale Jan. 3. Instrument panel has space-age look and added emphasis has been given to ride comfort and handling. Story, other pictures on Page 28.

Plymouth Caravelle joins the lineup

Plymouth has introduced a new nameplate to its lineup for 1985—the top-of-the-line Caravelle SE, a six-passenger, front-wheel-drive family car. Built on a 103.1-inch wheelbase, the four-door sedan is powered by a 2.2-liter (135-CID) electronic-fuel-injected engine. A base Caravelle will be introduced later in the model year. Story, other pictures on Page 33.

breaking news

Dedeurwaerder named AMC chief executive

SOUTHFIELD, Mich.—President Jose J. Dedeurwaerder, 51, has been elected chief executive officer of American Motors. He succeeds Paul Tippett, 51, who continues as chairman. Tippett also will serve as chairman of the executive committee of the board. Dedeurwaerder has been AMC president and chief operating officer since January, 1982.

Nissan to join two-seater club

TOKYO.—Nissan plans to introduce a sporty two-seater in the U. S. probably in 1987. The car is targeted for the $5,000 to $6,000 price range and is expected to attract young buyers.

Court prods NHTSA on tire grading

WASHINGTON.—NHTSA's proposed schedule for reinstating treadwear grading under the Uniform Tire Quality Grading standard is too dilatory, the U. S. Court of Appeals for the District of Columbia Circuit has ruled. The agency has until Oct. 11 to either reinstate the old requirements at once or submit to the court an accelerated schedule.

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First Yugo to arrive in U. S. next spring

Bricklin inks $100 million contract

By John Russell
New York Staff Writer

NEW YORK. — A $100 million contract has been signed by Bricklin Industries and Zavodi Crvena Zastava, Yugoslavian manufacturer of the Yugo 55, and the cars are expected to arrive in the U. S. next spring.

According to an announcement made by Malcolm Bricklin, chairman of Bricklin Industries, which will be importing the cars, initial plans call for importing 35,000 cars in the first year.

In a prepared statement, Bricklin said the cars are undergoing testing to satisfy federal safety and emissions requirements, and he plans to market the car with a base price of $3,990.

Anthony Ciminera, senior vice president for Bricklin, recently returned from the factory. He told Automotive News hundreds of changes have been made to the Yugo 55 to make it conform to U. S. regulations and market demands.

The first cars to arrive will

Continued on Page 46, Col. 4

In new $7-billion contract

Both GM, UAW get what they want

General Motors and the UAW walked away from the bargaining table this year with a $7 billion contract that gave both what they wanted.

GM is ensured of keeping its strategic plan of becoming more competitive worldwide. The UAW gets job security for its workers without destroying the company's competitiveness and has set itself as a model for other unions to follow.

News Analysis

On the face of it, $7 billion seems like a lot of money. But the agreement allows GM to improve productivity at least 5 percent in each of the three years of the contract, which is more than is usually allowed.

It increases labor costs by about 8 percent in the first year and six percent in each of the last two, raising the cost per hour from the current $22.95 to about $25.86.

Speculation had been that GM would try and buy off the union to gain unlimited outsourcing abilities or avoid a job security program for all its 350,000 UAW-represented workers.

It didn't happen.

The wage increases are moderate. Instead, the company and the union negotiated a six-year, $1-billion-plus job-security program which is the crux of the contract.

• Its basis is a "job bank," whereby laid-off workers earn their normal wages and benefits while being trained for other jobs at GM or outside the company.

One source said suppliers could be encouraged to take some of the retrained people if GM cannot place them. That would be a last resort. It is not yet known if those workers would be expected to be paid GM wages and benefits if they relocated in a supplier firm, the source said.

Some have worried that the $1 billion would not last the entire six years, but one source said GM has nothing planned in the next year to 18 months that would make much of a dent in that fund.

Also included in the pact is a golden handshake early-retirement program. Workers will be paid from $10,000 to $55,000 to give up their seniority rights. This is to encourage early retirement and pave the way for new hiring.

Normal early-retirement benefits also were increased.

It may seem like GM gave away the store. It didn't. Its major goal is to be more competitive in the world market. That isn't done by simply reducing or maintaining labor costs.

• GM is hoping many of its workers will opt for early retirement. About 40,000 will be eligible for early retirement over the three years of the contract.

GM is planning to spend between $6 billion and $7 billion per year for the foreseeable future to improve its plants and build more vehicles per hour. Often, new equipment and new technology mean fewer jobs.

GM is getting what it wants: Improved productivity in an attempt to become competitive with the Japanese by 1986. But it has proved it can do it in a humane way, not by casting aside its workers.

There also are other productivity improvements. The plants are allowed to create innovative wage agreements to become more competitive. The contract asks that management and union locals at each plant look into reducing the number of non-skilled wage rates and classifications, and that they work toward programs in which workers earn more money by learning more jobs.

Allowing the plants to make these moves also reduces the union's needs for limits on outsourcing. GM agreed to consult the UAW when it is contemplating outsourcing that would affect 25 or more jobs. The old agreement required notification if 100 jobs were affected. Under the new plan, those at each plant have a freer hand to make it more competitive and perhaps stop the outsourcing.

• Workers have a say in their future. GM, of course, must be careful to not abuse the new system.

In addition, GM and the UAW set up a $100-million fund to create new businesses to place the retrained workers. Under the GM reorganization, divisions can create subsidiary companies which are not part of the corporation but belong solely to a division. This could be one area of investment.

In addition, it would almost assure that the UAW would be the bargaining agent for these new companies.

GM also has made substantial investments in robotics and computer firms to advance its reorganization and diversify its

Continued on Page 8, Col. 4

GM says it intends to spend more in U. S.

By Marjorie Sorge
Labor Editor

General Motors' long-term strategy is to remain a U.S. corporation, with a major portion of its facilities, people, spending and assembly capacity in this country, the company told the union in this round of negotiations.

In a letter that is part of the new tentative agreement, GM told the UAW it is "dedicated to achieving a competitive posture within a framework that contributes to the job security of its employes." The UAW has feared that GM has been moving to outsource numerous components and cut its workforce substantially.

While the new agreement does not prohibit GM from doing either, it does give the union more say in GM's outsourcing plans and provides job security through job-bank programs, in which laid-off workers are retrained for new work, either inside or outside the corporation.

GM told the UAW it intends to increase spending in the U.S. Those expenditures include:

1. The GM-10 scheduled for 1988. It is a replacement for the A-cars (Celebrity, 6000, etc.) and rear-wheel-drive G-cars (Cutlass Supreme, etc.) and will include seven assembly plants. The investment will be close to $7 billion.

2. The new 1986 E and K offering (Eldorado, Toronado, Seville, Riviera), the 1987 H (replacing LeSabre and Eighty-eight) and the GM-25 replacement for the X-cars (Citation, Phoenix) in 1986 also will be built in the U.S.

3. The Baltimore plant, which is now building the new mid-size M-van, will reach capacity of 175,000 units in 1985.

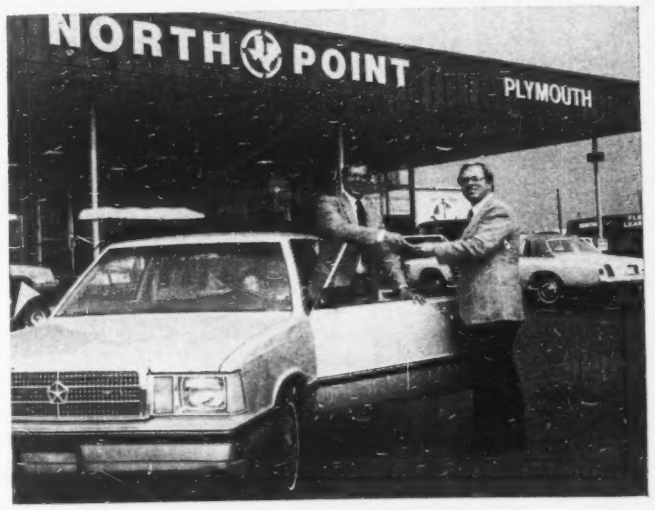
4. An investment of more than $2 billion in a new regular-size pickup, to be introduced in the fall of 1986. That project will employ more than 11,700 UAW members.

5. Investments in the production of multipoint fuel injection, direct-fire ignition systems and on-board computers for cars; the conversion of a diesel-engine facility to produce a new, high technology gasoline engine.

6. The Saturn project, which is a joint GM/UAW program to build a new small car from the ground up. GM promised to build it in the U.S. in the late 1980s.

In the letter, GM praised the UAW for its efforts to improve operational effectiveness. That helped GM make the commitment to invest more money in the U.S., the company said. Over the last five years, it has spent more than $24 billion in the U.S., representing more than 70 percent of GM's worldwide expenditures during this period.

Under the job security program, many workers will be retrained for jobs in the new facilities.



No complaints about Mexican K-cars

Buddy Hill, right, manager of North Point Chrysler-Plymouth, Houston, and Jack Sherman, sales manager, report that in the first eight months of selling Mexican-built K cars they have not received a single complaint from U. S. owners. Jerome B. York, director general of Chrysler de Mexico, announced recently that 3,000 '84 K-cars have been received by dealers in the U. S.

UAW-GM Contract Highlights

WAGES/ECONOMICS

The economic gains could be worth more than $13,000 to each of GM's 350,000 workers over the three-year agreement—$8,730 in wages, COLA, bonuses and $180 one-time-only payment; $3,000 in profit sharing and $1,500 in perfect attendance awards.

• One general raise of 9 to 50 cents per hour in the first year of the pact depending on straight-time rate.

• Performance bonuses of 2.25 percent of the previous year's straight-time earnings including COLA in the second and third years of the contract (estimated at $725 in October, 1985, and $750 in October, 1986, assuming 5 percent inflation).

• $2.99 of the current $3.04 COLA float folded into the base wage raising the hourly rate of a major assembler from $9.63 an hour to $12.82 (including the general wage increase of 20 cents). COLA is now figured on one cent increase for every 0.26 percentage point rise in the U. S. Consumer Price Index instead of the combined U. S. - Canadian CPI.

Of the COLA, 13 cents is diverted over the three-year life of the agreement (one cent in each of the first nine quarters and two cents in each of the last two) to help GM pay for benefits. Consequently, GM gets back about $91 million.

• Profit sharing continues and is expected to produce about $1,000 a year for the average worker. Profit sharing will be treated as wages under the UAW's dues structure.

• A one-time-only across-the-board $180 special payment for seniority workers and those laid off or on leave of absence but returning to work prior to Sept. 14, 1985. Also treated as income in the union's dues structure.

• A $50 payment in each quarter for perfect attendance and a $300 reward for perfect attendance for the entire year. This could result in an annual payment of $500 for workers with perfect attendance. Those with perfect attendance in three of the four quarters will get a special award of $150.

JOB SECURITY

• A $1 billion GM-paid Job Opportunity Bank (JOB) Security Program to pay the wages and benefits of workers laid off because of new technology, outsourcing, negotiated productivity improvements, some movement of work and production consolidation. Those workers are to be retrained and placed in new jobs at GM.

• If the JOB becomes too full, workers may be eligible for special programs. Those aged 55 to 61 with 10 or more

Continued on Page 50, Col. 1

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To put auto showrooms within the reach of more people

Ford develops satellite dealerships

By Richard Johnson
Detroit Reporter

The satellite dealer network being strung together by Ford Division may not be the wave of the future, but it could become an important complement to full-line retailers, according to company officials.

Secondary outlets are regarded by Ford as a means of putting automobile showrooms within reach of more potential customers. Although the jury is still out on the effectiveness of satellites, Ford is encouraged.

"Some of our research indicates some very tangible reasons for us to be optimistic," said Philip Novell, Ford Division general sales manager.

Satellites are fundamentally scaled-down sales offices placed in geographic areas which cannot support a complete-line dealership. The secondary stores are situated primarily in rural areas and are owned and operated by dealers based in adjacent small towns.

Ford also has five stores in large shopping malls, and satellites may someday be a marketing tool in dense urban areas where square footage is at a premium.

According to Novell, the satellite concept enables the company to maintain service in areas where dealers have closed, attract new customers not otherwise exposed to Ford products and possibly pave the way for eventual opening of a full-line store.

The division currently has 88 satellite dealerships around the

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DOMESTIC SALES

	Sept. 11-20, 1984	Sept. 11-20, 1983
Renault Alliance/Encore	3,890†	3,680†
AMC	400†	920†
AMERICAN MOTORS	4,290†	4,600†
Chrysler	10,350	7,341
Imperial	.....	10
Plymouth	7,508	5,954
Dodge	10,395	8,126
CHRYSLER CORP.	28,253	21,431
Ford	39,882	26,916
Mercury	17,132	11,675
Lincoln	3,611	3,329
FORD MOTOR CO.	60,625	41,920
Buick	25,105	18,885
Cadillac	9,331	7,874
Chevrolet	42,810	31,080
Oldsmobile	23,696	22,121
Pontiac	18,066	12,679
GENERAL MOTORS	119,008	92,639
VOLKSWAGEN	1,881	2,312
HONDA	4,790	1,874
U. S. INDUSTRY TOTAL	218,847	164,776

†—Estimate

Deliveries total 218,847, up 33 pct. over '83

Domestic-car sales strong in mid-September

By Roger Rowand
Engineering Editor

Domestic car sales are closing out the warm-weather selling season with strong performances in almost every corner. They climbed a robust 32.81 percent in the Sept. 11-20 period to total 218,847 units versus 164,776 units a year earlier.

Only American Motors and Volkswagen showed declines in sales of domestic cars.

It was the industry's best mid-September performance since 1979 when 228,100 units were sold.

There were nine selling days in this year's period compared with eight days a year before.

Chevrolet Cavalier continued to reign as the nation's hottest domestic property with sales of 13,650 units. It was followed by Ford Escort with 11,036, Chevrolet Celebrity with 6,964 and Oldsmobile Cutlass Supreme with 6,783. Standard Chevrolet filled out the list of the five top-selling nameplates with 6,502 units delivered at retail.

Honda, with sales of 4,790 compared with 1,874 last year had the biggest percentage gain in the period, 155.60 percent.

The most recent daily selling rate averaged 24,316 cars for nine days, 18.06 percent ahead of the daily rate of 20,597 for eight days in the similar 1983 period.

Chrysler Corp. sales of 28,253 were up 31.83 percent from 21,431 last year (up 17.17 percent daily rate). General Motors sales were up 28.46 percent to 119,008 from 92,639 (up 14.19 percent daily sales rate).

Ford Motor Co.'s sales of 60,625 domestic cars were 44.62 percent ahead of the 41,920 sold a year before. Ford's daily selling rate was 28.55 percent above that in the 1983 10-day span.

• American Motors saw its dealers deliver 4,290 new cars, down 6.74 percent from 4,600 (down 17.04 daily rate).

Honda dealers sold 4,790 cars this year versus 1,874 in the similar 1983 period (plus 127.35 percent daily rate).

Volkswagen sales in the 10 days totaled 1,881 compared with 2,312 a year before, a fall-off of 18.64 percent (daily rate off 27.68 percent).

Ford Motor's performance earned it a share-of-market increase to 27.70 percent from 25.44 a year before. GM's share eased to 54.38 percent from 56.22 while Chrysler's inched lower to 12.91 percent from 13.01 percent.

Honda's share of market climbed to 2.19 percent from 1.14 percent last year.

Volkswagen's share dipped to 0.86 percent from 1.40 percent, and AMC's share slid to 1.96 percent from 2.79 percent.

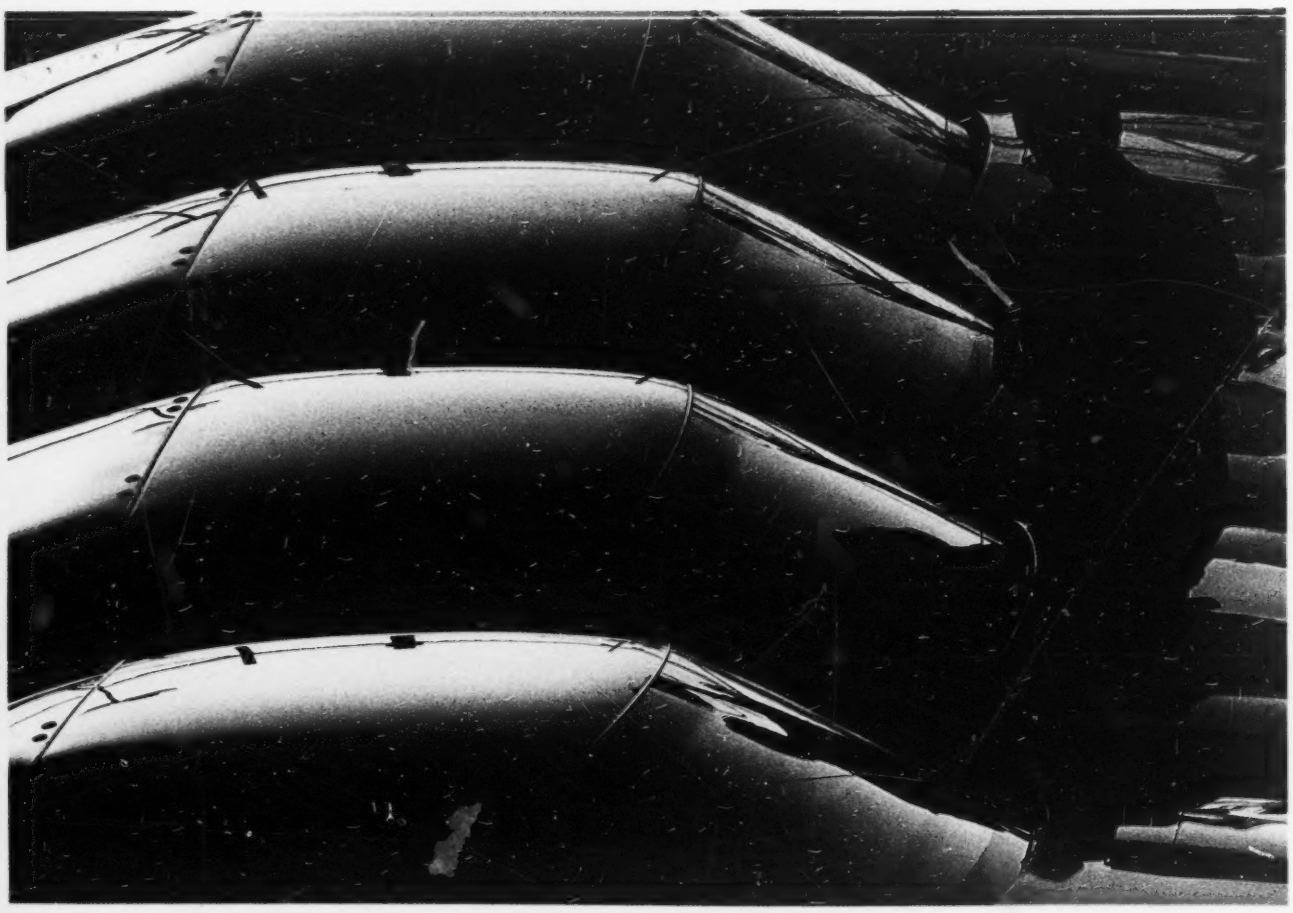
Sales tallies for the various domestic makes showed percentage increases for Plymouth of 26.10; Chrysler, 41.01, and Dodge, 27.92.

For Ford the gain was 48.17 percent while it was 46.74 percent for Mercury and 8.47 percent for Lincoln.

At GM, Buick's percentage gain in the period was 32.94, Cadillac's 18.50, Chevrolet's 37.74, Oldsmobile's 7.12 and Pontiac's 42.50.

AMC (Eagle) was down 56.52 percent, and Renault was up 5.71 percent.

AUTOMOBILE



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GM figures cost to stockholders of EDS purchase

By Michelle Krebs
Financial Editor

The earnings of General Motors will be diluted 99 cents per share for the next five years because of its proposed $2.55 billion acquisition of Electronic Data Systems Corp., according to proxy material mailed to shareholders of both companies.

GM showed in the proxy that if EDS had been a part of the auto company during the 12 months ended June 30, 1984, per-share earnings would have been reduced to $15.65 from $16.64.

The dilution of GM stock was more than analysts — some of whom have criticized GM for paying too much for EDS — had predicted.

GM said the $2.2 billion paid over the book value of the Dallas-based data processing firm would be "ascribed principally to the computer software programs developed by EDS, existing customer contracts and other similar assets." The $2.2 billion will be amortized over five years.

Auto analyst Maryann Keller said the dilution of stock was more than she had expected but was insignificant.

"You have to look at it in terms of what EDS will do for GM," she said. "It would cost GM more than that to hire EDS."

The proxy also confirmed that GM will transfer 10,000 GM employes to EDS, which will operate as a subsidiary of the auto company. In fact, the transfer of those employes already has begun (Automotive News, Sept. 24).

The proxy material was sent to GM's one million shareholders for authorization by mail of a new Class E common stock, which will be used to acquire EDS.

The 11,000 shareholders of EDS also received the proxy. A special shareholders' meeting will be held in Dallas Oct. 18 for voting on the proposed merger. GM already has approval of 47.1 percent of the stock.

As dealers strive to boost sales

There's always a new promotion

By Joseph Bohn
Marketing Editor

California continues to get a lot of special attention in factory promotions.

More than 18,000 people have signed up for Ford's Thunderbird Grand Prix series of amateur tennis tournaments in Southern California. Ford Motor and its Southern California dealers are sponsoring the event.

Grand prize is an '85 Ford Thunderbird Fila, named after the largest sports apparel firm in Italy, said Steven C. Taylor, Ford Division California marketing manager.

The tournament gives Ford a chance to reintroduce itself to community members, "many of whom haven't driven a domestic car for some time," Taylor said.

The weekend tournaments began early this year and lead up to the Master's Playoffs in mid-January, 1985.

Meanwhile, the "Top 30 Sales Rally," a 30-day advertising and promotion campaign developed by Skirboll & Garber Advertising, Pittsburgh, for the Super Grand Olds Gang produced a near-record month for the Pittsburgh Oldsmobile zone.

The 87-member Olds dealer group, covering an area from Sharon and Oil City, Pa., to Johnstown and Altoona, Pa., sold 2,740 new cars during a one-month period this summer.

Consumers are able to reach out and touch Toyota trucks in an "Opportunity Calling" promotion developed by AT&T in association with Toyota Motor Sales, U.S.A., and other companies.

Through the program, more than 25 million AT&T customers earn credits for making long-distance phone calls. They can apply the credits to specific savings on Toyota trucks and 60 other products.

Toyota estimates the venture will bring between 500 and 1,200 truck buyers to its dealerships.

• Dawson & Dawson Advertising, Chicago, in conjunction with Video Remote Services, Bloomfield Hills, Mich., produced a 30-second image spot that aired over 90 times during and around ABC's Summer Olympics coverage.

The image spot for Hanley Dawson's Chrysler - Plymouth, Cadillac - Datsun, Toyota - Saab and Mitsubishi dealerships was shot on location with amateur athletes from a local running club.

Doug Ekman, producer/director for Dawson and Dawson Advertising, Chicago, said, "We surprised some viewers who normally expect to see a harder-selling approach from dealers."

Dawson dealerships received calls and letters of support for its sponsorship.

Chrysler - Plymouth obtained promotional rights to the $3 million Breeders' Cup Classic, seventh and concluding race of the inaugural Breeder's Cup Series.

The thoroughbred racing event will decide championships in virtually every age, sex and distance division within the sport. Seven championships will be held Nov. 10 at Hollywood Park, Inglewood, Calif.

NBC plans a four-hour coverage of the event, to be broadcast nationally and internationally.

American Motors has made its Renault Alliance convertible the official car of next year's Miss America Pageant.

AMC will handcraft 21 of the cars for the Pageant and also will produce 30 Jeep CJs, appropriately painted red, white and blue.

Miss America entrants and officials will parade around Atlantic City in the new vehicles, valued at $800,000.

Several events, such as a caravan driveaway from Woodbury, N.J., to Atlantic City, have been planned around the event.

Two Iowa dealers saw sales take off this summer when they combined ad dollars and "slugged it out" in a friendly sales rivalry.

Dave Brown, Brown Ford-Mercury in Guttenburg, Ia., and Charlie Beckett, Beckett Chevrolet-Oldsmobile, Dyersville, Ia., competed in a four-week verbal sparring match billed as "The Main Event."

Chevy and Ford dealers seldom get together, but the two have been friends for many years. With a combined ad budget of $11,000 they saturated the northeast Iowa market for a month, drawing customers from nearby Illinois and Wisconsin as well.

Both had 30 percent sales increases.

• Dallas-area Ford dealers ran a Sell-A-Thon in Dallas' Market Mall. They called it the most successful private sale the Dallas FDAF ever has had.

Thirteen participating dealers sold more than 50 cars and trucks during the 20-hour event, and followups brought the total to almost 600 vehicles.

TaCito & Associates, a direct-marketing firm in Dallas, organized and conducted the direct-mail and facilities aspects of the event. A direct-mail piece to 250,000 Ford and competitive owners brought 3,000 customers.

Automotive tent sales are alive and well, Harrisburg (Pa.) dealers and others have discovered.

Five years ago, members of the Harrisburg Automotive Trade Assn. initiated what they thought would be a one-time outdoor sale. The "Harrisburg Ten Million Dollar Auto Tent Sale" was so successful it has been staged yearly since then, with increasingly better results.

The event also spawned others. A total of 60-plus carnival-like tent sales have been staged to date in cities like Reading, Wilkes-Barre and Philadelphia, Pa., Wildwood, N.J., and even Houston.

Liberty Productions, Inc., Harrisburg, puts together the tent events. From April through September this year, it said, total sales for the events were often 50 percent over what they were in 1983.

In June, for example, of 13 tent sales held—in Reading and Wilkes-Barre, Pa. — sales increases were 51 and 50.4 percent, respectively, according to Bob Lilley, president of Liberty.

Altogether, 111 dealers participated in these sales, an average of about nine per tent sale. Total number of units sold was 2,878, or about 221 per event. On average, each participating dealer sells about 25 units during the three-day sales, Lilley said.

Turbo mania

Millie Burget, Federal Way, Wash., won an '84 Cordia Turbo hatchback in Mitsubishi's national "Turbo Age Sweepstakes" promotion. Presenting the keys is Tito Roempk, owner of Auburn Valley Mitsubishi, Auburn, Wash. From left are Lynn Welfringer, vice president of Evergreen Mitsubishi, Everett, Wash., and Tim Coleman, general manager of Bellevue Mitsubishi, Bellevue, Wash.

Friendly fisticuffs

John Beckett, left, Beckett Chevrolet-Oldsmobile, Dyersville, Ia., and Dave Brown, Brown Ford-Mercury, Guttenburg, Ia., staged a friendly "Main Event" sparring match, churning up good sales for both. Radio Producer Bob Smtih, center, intervenes in their mock confrontation.

factories list auction dates

Ford Motor Co.

Oct. 1—Clanton's Auto Auction Sales, Darlington, S. C.; Southwest Auto Auction, Phoenix.

Oct. 10—Columbus Fair Auto Auction, Obetz, O.; Concord Auto Auction, Acton, Mass.; Metro Auto Auction of Kansas City, Lees' Summit, Mo.

Oct. 16 — Harrisonburg Auto Auction, Harrisonburg, Va.

Oct. 23—Aptco Auto Auction, Taylor, Mich.

Oct. 24—Lakeland Auto Auction, Lakeland, Fla.; Brasher's Southern California Auto Auction, Fontana, Calif.

Oct. 25—Nashville Auto Auction, Nashville; 166 Auto Auction, Springfield, Mo.

Nov. 1—Arena Auto Auction, Chicago; Dallas Auto Auction, Dallas; Skyline Auto Exchange, Fairfield, N. J.

American Motors

Oct. 2—D-A Auto Auction, New Stanton, Pa.

Oct. 4—Evansville Auto Auction, Evansville, Ind.; Todd Auto Auction, Telford, Pa.; and Minneapolis Northstar Auto Auction, Shakopee, Minn.

Oct. 9—High Point Auto Auction, High Point, N. C.

Oct. 10—Southern Auto Auction, Warehouse Point, Conn.; Metro Milwaukee Auto Auction, Caledonia, Wis.; Columbus Fair Auto Auction, Obetz, O.; Kansas City Auto Auction, Kansas City, Mo., and Central States Auto Auction, Mason City, Ia.

Oct. 11—Evansville Auto Auction, Evansville, Ind.; Corry Auto Auction, Corry, Pa.; Minneapolis Northstar Auto Auction, Shakopee, Minn., Aptco Auto Auction, Taylor, Mich.

Oct. 12 — Floyd Hauhe Auto Auction, Bridgeton, Mo., and Concord Auto Auction, Acton, Mass.

Oct. 16—D-A Auto Auction, New Stanton, Pa.

Oct. 18—Evansville Auto Auction, Evansville, Ind.; Todd Auto Auction, Telford, Pa., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

Oct. 23—High Point Auto Auction, High Point, N. C.

Oct. 24—Southern Auto Auction, Warehouse Point, Conn.; Metro Milwaukee Auto Auction, Caledonia, Wis.; Columbus Fair Auto Auction, Obetz, O.; Kansas City Auto Auction, Kansas City, Mo., and Central States Auto Auction, Mason City, Ia.

Oct. 25—Evansville Auto Auction, Evansville, Ind.; Corry Auto Auction, Corry, Pa., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

Oct. 26 — Floyd Hauhe Auto Auction, Bridgeton, Mo., and Concord Auto Auction, Acton, Mass.

Oct. 30—D-A Auto Auction, New Stanton, Conn.

Used Car Sales
Auction Averages

September	$4,894
Month ago	$5,189
Year ago	$5,190

Model breakdown
Auction Averages

	SEPTEMBER TO DATE	AUGUST 1984	JULY 1984
1984	$ 9,747	$ 9,848	$11,772
1983	7,364	7,926	7,793
1982	5,762	5,978	5,759
1981	5,020	5,230	5,681
1980	3,932	4,494	4,222
1979	3,237	3,632	4,100
1978	2,346	2,551	2,644
1977	2,213	1,997	2,114
Overall Average	$ 4,894	$ 5,316	$ 5,560

Prix winner

Renee Rice, North Shirley, N. Y., won a U. S. Grand Prix replica in a promotional drawing sponsored by Tri-State Ford Dealers, supporting the CART race this summer. Robert Lusko, Ford New York district manager, hands her the keys as Charles Rampone, principal in Ramp Motors, Port Jefferson, and chairman of Ford's New York Advertising Committee, looks on.